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1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE NORTHERN DISTRICT OF ALABAMA
3 NORTHEASTERN DIVISION.

4 NUCLEAR DEVELOPMENT, LLC,)
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6 Plaintiff,)
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8 vs.)
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10 TENNESSEE VALLEY AUTHORITY,)
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<p style="text-align: right;">Page 2</p> <p>1 APPEARANCES OF COUNSEL: 2 ON BEHALF OF THE PLAINTIFF: 3 Caine O'Rear, III, Esq. 4 Hand Arendall Harrison Sale LLC 5 104 Saint Francis Street 6 Suite 300 7 Mobile, Alabama 36602 8 251.694.6308 9 Corear@handarendall.com 10 Larry D. Blust, Esq. 11 Hughes Socol Piers Resnick DYM LTD. 12 70 West Madison Street 13 Suite 4000 14 Chicago, Illinois 60602 15 312.604.2672 16 Lblust@hsplegal.com</p> <p>17 ON BEHALF OF THE DEFENDANT: 18 Matthew H. Lembke, Esq. 19 Bradley Arant Boult Cummings LLP 20 One Federal Place 21 1819 Fifth Avenue North 22 Birmingham, Alabama 35203 23 205.521.8560 24 Mlembke@bradley.com</p> <p>25 Office of the General Counsel Jill McCook, Esq. Steven Chin, Esq. Tennessee Valley Authority 400 West Summit Hill Drive, WT6 Knoxville, Tennessee 37902 865.632.8964 Ddayliffe@tva.gov Also Present: Richard Scott, Videographer</p>	<p style="text-align: right;">Page 4</p> <p>1 INDEX (continued) 2 3 Exhibit 23 - Previously marked - Bates No. 4 TVABLN00000045 through 46, e-mail from 5 Clifford Beach to Larry Blust dated November 6 28, 2018. 68 7 Exhibit 32 - Previously marked, Bates No. 8 TVALBLN000009316 through 9328, Handwritten 78 9 Notes. 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>
<p style="text-align: right;">Page 3</p> <p>1 INDEX 2 CLIFFORD BEACH 7 3 EXAMINATION BY MR. O'REAR 7 4 EXAMINATION BY MR. LEMBKE 80 5 EXAMINATION BY MR. O'REAR 84 6 E X H I B I T S 7 Exhibit 12 - Previously marked - Bates No. 8 TVABLN00000352, letter from Aaron Nix to Larry 9 Blust, dated August 21, 2018. 30 10 Exhibit 35 - Bates No. TVABLN00002941, e-mail 11 from Larry Blust to Aaron Nix and others dated 12 September 5, 2018. 37 13 Exhibit 16 - Previously marked, Bates No. 14 TVABLN00000522 through 525, e-mail from James 15 Chardos to Larry Blust, dated November 6, 16 2018. 48 17 Exhibit 18 - Previously marked - Bates No. 18 TVABLN00006247 through 6251, e-mail from Jack 19 McCall to Lorie Molton Hunt and others dated 20 November 9, 2018. 52 21 Exhibit 17 - Previously marked - Bates No. 22 TVABLN00002643 through 2644, e-mail from 23 Clifford Beach to Larry Blust dated November 24 9, 2018. 55 25 Exhibit 19 - Previously marked - Bates No. TVABLN00000043 through 44, e-mail from Larry Blust to Clifford Beach and others, dated November 12, 2018. 58 Exhibit 26 - Previously marked - Bates No. TVABLN00000038 through 39, e-mail from Larry Blust to Sherry Quirk and others dated November 13, 2019. 59 Exhibit 36 - Bates No. TAVABLN00002954, e-mail from Larry Blust to Clifford Beach, dated November 16, 2018. 65</p>	<p style="text-align: right;">Page 5</p> <p>1 S T I P U L A T I O N 2 3 The videotaped deposition of CLIFFORD 4 BEACH, called as a witness at the instance of the 5 Plaintiff, pursuant to all applicable rules, taken by 6 agreement on the 30th day of October, 2019, beginning 7 at approximately 9:00 a.m., at the law offices of 8 Woolf, McClane, Bright, Allen & Carpenter, 900 S. Gay 9 Street, Suite 900, Knoxville, Tennessee, before 10 Georgette H. Mitchell, Registered Professional Reporter 11 and Notary Public, pursuant to the stipulation of 12 counsel. 13 It being agreed that 14 Georgette H. Mitchell, Registered Professional Reporter 15 and Notary Public, may report the deposition in machine 16 shorthand, afterwards reducing the same to typewriting. 17 All objections, except as to the form of 18 the question, are reserved to on or before the hearing. 19 It being further agreed that all 20 formalities as to notice, caption, certificate, 21 transmission, etc., excluding the reading of the 22 completed deposition by the witness and the signature 23 of the witness, are reserved. 24 25</p>

<p style="text-align: right;">Page 6</p> <p>1 (The deposition began at 8:57 a.m.)</p> <p>2 THE VIDEOGRAPHER: We're going on the</p> <p>3 record at 8:57 on October 30th, 2019. This is</p> <p>4 media unit one of the video recorded deposition of</p> <p>5 Cliff Beach in the matter of Nuclear Development</p> <p>6 versus Tennessee Valley Authority filed in the</p> <p>7 United States District Court for the Northern</p> <p>8 District of Alabama.</p> <p>9 The deposition is being held at 900 South</p> <p>10 Gay Street in Knoxville, Tennessee. My name is</p> <p>11 Richard Scott from the firm Veritext Legal. I'm</p> <p>12 the videographer.</p> <p>13 The court reporter is Georgette from</p> <p>14 Veritext Legal.</p> <p>15 Will the attorneys please identify</p> <p>16 themselves and who they represent.</p> <p>17 MR. O'REAR: Caine O'Rear for the</p> <p>18 plaintiff, Nuclear Development.</p> <p>19 MR. BLUST: Larry Blust for plaintiff,</p> <p>20 Nuclear Development.</p> <p>21 MR. LEMBKE: Matt Lembke for the</p> <p>22 defendant, TVA.</p> <p>23 MS. MCCOOK: Jill McCook for defendant,</p> <p>24 TVA.</p> <p>25 MR. CHIN: Steve Chin for defendant, TVA.</p>	<p style="text-align: right;">Page 8</p> <p>1 Q. And what's the address?</p> <p>2 A. 400 West Summit Hill Drive, 37901.</p> <p>3 That's my home address. 37902.</p> <p>4 Q. And what was your position with TVA</p> <p>5 before you assumed this position of director of board</p> <p>6 engagement?</p> <p>7 A. Senior Counsel.</p> <p>8 Q. And for how long did you hold that title,</p> <p>9 Senior Counsel?</p> <p>10 A. About three months.</p> <p>11 Q. That would be at the end of 2018?</p> <p>12 A. Yes, three -- three to four months, yes.</p> <p>13 Q. So September, October 2018, through the</p> <p>14 end of 2018?</p> <p>15 A. Yes.</p> <p>16 Q. And were you in the legal department when</p> <p>17 you were Senior Counsel?</p> <p>18 A. Yes.</p> <p>19 Q. Are you in the legal department now?</p> <p>20 A. I'm on a rotational assignment. So for</p> <p>21 some administrative purposes I'm still listed in the</p> <p>22 legal department, but I'm assigned to another unit</p> <p>23 within TVA.</p> <p>24 Q. Okay. And then prior to being Senior</p> <p>25 Counsel in the legal department in the last quarter of</p>
<p style="text-align: right;">Page 7</p> <p>1 THE VIDEOGRAPHER: Okay. The court</p> <p>2 reporter may swear in the witness.</p> <p>3 CLIFFORD BEACH,</p> <p>4 having first been duly sworn, was examined and deposed</p> <p>5 as follows:</p> <p>6 EXAMINATION BY MR. O'REAR:</p> <p>7 Q. State your name, please.</p> <p>8 A. Clifford Beach.</p> <p>9 Q. Are you with TVA, Mr. Beach?</p> <p>10 A. I am.</p> <p>11 Q. And what's your position with TVA?</p> <p>12 A. I am the Director of Board Engagement.</p> <p>13 Q. Okay. And when did you assume that</p> <p>14 title?</p> <p>15 A. Mid-January of 2000 -- 2019.</p> <p>16 Q. So are you the liaison between the</p> <p>17 management and the board?</p> <p>18 A. No, my boss is.</p> <p>19 Q. Who's your boss?</p> <p>20 A. Justin Maierhofer.</p> <p>21 Q. Okay. And what position does he hold?</p> <p>22 A. Vice President External Relations.</p> <p>23 Q. Is your office here at TVA headquarters</p> <p>24 in Knoxville?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 9</p> <p>1 2018, what position did you hold?</p> <p>2 A. The last quarter of calendar 2018, I was</p> <p>3 in the Senior Counsel position.</p> <p>4 Q. Right. Well, my question was intended to</p> <p>5 ask you what position did you hold prior to that?</p> <p>6 A. Okay. Associate General Counsel.</p> <p>7 Q. I've seen on some correspondence that</p> <p>8 beneath your name you held the title of Associate</p> <p>9 General Counsel Contracts and Commercial Law?</p> <p>10 A. That was my group.</p> <p>11 Q. That was your group. And for how long</p> <p>12 did you hold the position of Associate General Counsel?</p> <p>13 A. I held a position that had the same</p> <p>14 responsibilities for about ten years. At one time it</p> <p>15 was called Assistant General Counsel, and at one point</p> <p>16 the name was changed to Associate General Counsel and I</p> <p>17 don't recall exactly when that change happened,</p> <p>18 probably three or four years ago.</p> <p>19 Q. What position did you hold in calendar</p> <p>20 year 2016?</p> <p>21 A. Associate General Counsel.</p> <p>22 Q. And you were in the legal department at</p> <p>23 that time?</p> <p>24 A. Yes.</p> <p>25 Q. And in 2017?</p>

<p style="text-align: right;">Page 10</p> <p>1 A. Same position.</p> <p>2 Q. Okay. And the same position in 2018,</p> <p>3 until your transition to Senior Counsel in September or</p> <p>4 October, correct?</p> <p>5 A. Yes.</p> <p>6 Q. Did you ever serve as an officer of TVA?</p> <p>7 A. I am an Assistant Secretary of TVA.</p> <p>8 Q. And what are your responsibilities as</p> <p>9 Assistant Secretary?</p> <p>10 A. Certify documents. I'm not an executive</p> <p>11 officer though.</p> <p>12 Q. Okay. As Assistant Secretary, did you</p> <p>13 attend board meetings?</p> <p>14 A. No.</p> <p>15 Q. Did you attend board committee meetings?</p> <p>16 A. I did for a period of time prior to 2016.</p> <p>17 Q. And in what capacity did you attend the</p> <p>18 board meetings, board committee meetings prior to 2016?</p> <p>19 A. I was the Assistant Secretary assigned to</p> <p>20 the audit committee and took notes for the audit</p> <p>21 committee.</p> <p>22 Q. Did you prepare minutes for the audit</p> <p>23 committee?</p> <p>24 A. Yes.</p> <p>25 Q. Have you prepared minutes for any other</p>	<p style="text-align: right;">Page 12</p> <p>1 A. The University of Tennessee.</p> <p>2 Q. And your law degree?</p> <p>3 A. Vanderbilt Law School.</p> <p>4 Q. And did you -- have you -- tell me your</p> <p>5 work history before you went with TVA.</p> <p>6 A. I was at was Bass, Berry & Sims here in</p> <p>7 Knoxville for four years, and Miller Martin in</p> <p>8 Chattanooga for three years before that.</p> <p>9 Q. And when you were in private practice,</p> <p>10 what -- did you have an area of specialty?</p> <p>11 A. Transactional work. Focused on</p> <p>12 commercial lending and industrial development, finance.</p> <p>13 Q. Are you currently licensed in any state?</p> <p>14 A. Yes.</p> <p>15 Q. What state?</p> <p>16 A. Tennessee.</p> <p>17 Q. Are you a member of the Tennessee bar</p> <p>18 then?</p> <p>19 A. Yes.</p> <p>20 Q. And was that true in 2016, 2017, 2018?</p> <p>21 A. Yes.</p> <p>22 Q. Can you tell us what your duties were as</p> <p>23 Associate General Counsel in 2016, 2017 and 2018, and</p> <p>24 how they changed, if at all, when you transitioned to</p> <p>25 Senior Counsel in 2018?</p>
<p style="text-align: right;">Page 11</p> <p>1 board committees?</p> <p>2 A. No.</p> <p>3 Q. What were done with the minutes that you</p> <p>4 prepared for the audit committee?</p> <p>5 A. They were presented to the audit</p> <p>6 committee at the following meeting for approval.</p> <p>7 Q. And where are they kept, those minutes</p> <p>8 kept?</p> <p>9 A. In the board records.</p> <p>10 Q. Who is the custodian of the board</p> <p>11 records?</p> <p>12 A. The secretary of TVA.</p> <p>13 Q. And currently the secretary is Sherry</p> <p>14 Quirk?</p> <p>15 A. Correct.</p> <p>16 Q. So you never substituted for her as</p> <p>17 assistant secretary in her absence at any official</p> <p>18 board meetings, is that correct?</p> <p>19 A. No.</p> <p>20 Q. How long have you been with TVA?</p> <p>21 A. A little over 20 years.</p> <p>22 Q. Are you a lawyer?</p> <p>23 A. Yes.</p> <p>24 Q. And can you tell us where you received</p> <p>25 your undergraduate degree?</p>	<p style="text-align: right;">Page 13</p> <p>1 A. In the Associate General Counsel position</p> <p>2 I supervised a group of approximately five attorneys,</p> <p>3 all of which did contract work.</p> <p>4 Q. Okay.</p> <p>5 A. And then after I moved out of a</p> <p>6 supervisory position into a position that was a new</p> <p>7 position for the legal group and but many of my same</p> <p>8 work duties continued just without supervision.</p> <p>9 Q. Okay. So the Senior Counsel role that</p> <p>10 you held for three or four months was a new position</p> <p>11 created within the legal department?</p> <p>12 A. Correct.</p> <p>13 Q. And had there not been Senior Counsel</p> <p>14 designated in your legal department before that?</p> <p>15 A. Not to my knowledge.</p> <p>16 Q. So in -- tell me exactly, if you can</p> <p>17 recall, when you transitioned to Senior Counsel.</p> <p>18 A. During the month of September of 2018.</p> <p>19 Q. And was there any reason for your</p> <p>20 transition from Associate General Counsel to Senior</p> <p>21 Counsel at that time?</p> <p>22 A. It was part of a reorganization of the</p> <p>23 legal group.</p> <p>24 Q. Who do you report to currently?</p> <p>25 A. Justin Maierhofer, the VP of External</p>

<p style="text-align: right;">Page 14</p> <p>1 Relations.</p> <p>2 Q. Who did you report to as Senior Counsel?</p> <p>3 A. Jared Mitchum.</p> <p>4 Q. For my -- for my benefit and the court</p> <p>5 reporter's, would you spell his name for us?</p> <p>6 A. J-a-r-e-d, and then Mitchum, Robert</p> <p>7 Mitchum, M-i-t-c-h-u-m.</p> <p>8 Q. And who did you report to as Associate</p> <p>9 General Counsel?</p> <p>10 A. Sherry Quirk.</p> <p>11 Q. What position did Jared Mitchum hold when</p> <p>12 you reported to him?</p> <p>13 A. Deputy General Counsel.</p> <p>14 Q. Who were the lawyers that were in your</p> <p>15 group that reported to you when you were Associate</p> <p>16 General Counsel?</p> <p>17 A. Nick McCall, Brian Billinson, Sherry</p> <p>18 Collins, Jarom Smartt. At that time, that was the</p> <p>19 group. It varied in size over the years.</p> <p>20 Q. And did you work on the contract between</p> <p>21 Nuclear Development and TVA?</p> <p>22 A. Yes.</p> <p>23 Q. Who in your group also worked on that</p> <p>24 contract, if anyone?</p> <p>25 A. Nick McCall.</p>	<p style="text-align: right;">Page 16</p> <p>1 the preparation of the contract?</p> <p>2 A. They were attorneys who handled the</p> <p>3 auction primarily.</p> <p>4 Q. Well, were they involved in working on</p> <p>5 the terms and conditions in the contract as opposed to</p> <p>6 working on the auction itself?</p> <p>7 A. They reviewed and commented on drafts.</p> <p>8 Q. Now, there were a number of parties</p> <p>9 initially interested that received information</p> <p>10 regarding the potential auction of the sale of the</p> <p>11 property, correct?</p> <p>12 A. A number?</p> <p>13 Q. Well, let me ask you this. Did you or</p> <p>14 did TVA prepare a contract that was submitted in the</p> <p>15 bid package to prospective bidders?</p> <p>16 A. I did not prepare one. I don't recall a</p> <p>17 contract being part of the bid package.</p> <p>18 Q. Was there a contract presented to all</p> <p>19 prospective builders for the Bellefonte site?</p> <p>20 A. My recollection is that a contract was</p> <p>21 presented to bidders who qualified.</p> <p>22 Q. And how many bidders qualified?</p> <p>23 A. At least two. I seem to recall there was</p> <p>24 a third one as well.</p> <p>25 Q. So would the two of three bidders that</p>
<p style="text-align: right;">Page 15</p> <p>1 Q. So just the two of you out of that group?</p> <p>2 A. Yes.</p> <p>3 Q. Can you tell us generally what your role</p> <p>4 was with respect to the contract between Nuclear</p> <p>5 Development and TVA?</p> <p>6 A. I supervised Nick's work on the contract.</p> <p>7 I was a drafter as well.</p> <p>8 Q. And so did the work that Nick did on the</p> <p>9 contract, did it have to be approved by you?</p> <p>10 A. Yes.</p> <p>11 Q. Did the work that you did on the</p> <p>12 contract, did it have to be approved by anyone?</p> <p>13 A. Ultimately Sherry Quirk and Bill Johnson.</p> <p>14 Q. Were you the primary person at TVA</p> <p>15 responsible for preparing the terms and conditions of</p> <p>16 the contract?</p> <p>17 A. No, I wouldn't characterize it that way.</p> <p>18 Q. Was there anyone that was more involved</p> <p>19 than you in terms of preparing the terms and</p> <p>20 conditions?</p> <p>21 A. No, it was a group effort.</p> <p>22 Q. The group being you and Nick McCall?</p> <p>23 A. Yes, and we also worked with attorneys in</p> <p>24 our environmental group, Greg Signer, Kendra Mansur.</p> <p>25 Q. And what did involvement did they have in</p>	<p style="text-align: right;">Page 17</p> <p>1 qualified have received the same contract?</p> <p>2 A. Yes.</p> <p>3 Q. And was that contract one that you worked</p> <p>4 on?</p> <p>5 A. Yes.</p> <p>6 Q. Okay. And was the contract that the two</p> <p>7 or three bidders received, the final contract?</p> <p>8 A. No, there was negotiation of contract</p> <p>9 terms. We received comments.</p> <p>10 Q. Was there any negotiation of the contract</p> <p>11 before you sent a contract form to the three</p> <p>12 prospective bidders?</p> <p>13 A. I don't recall any.</p> <p>14 Q. Who at TVA made the final decision to</p> <p>15 approve the terms and conditions of the contract?</p> <p>16 A. Bill Johnson.</p> <p>17 Q. And did he receive recommendations from</p> <p>18 the legal department with respect to that?</p> <p>19 MR. LEMBKE: That's a yes or no answer,</p> <p>20 Mr. Beach.</p> <p>21 THE WITNESS: Yes.</p> <p>22 BY MR. O'REAR:</p> <p>23 Q. Did you have any communications with</p> <p>24 Mr. Johnson regarding the terms and conditions of the</p> <p>25 contract?</p>

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<p style="text-align: right;">Page 18</p> <p>1 A. No.</p> <p>2 Q. Did you have discussions with Sherry</p> <p>3 Quirk regarding the terms and conditions of the</p> <p>4 contract?</p> <p>5 A. Are we talking before the contract was</p> <p>6 signed still?</p> <p>7 Q. Yes.</p> <p>8 A. Yes.</p> <p>9 Q. What was the role of Concentric Energy</p> <p>10 Advisors with respect to this contract?</p> <p>11 A. Consultant for TVA.</p> <p>12 Q. Okay. And what was the scope of their</p> <p>13 work?</p> <p>14 A. To advise TVA on auctioning the property,</p> <p>15 work with bidders, bring their expertise as a company</p> <p>16 with knowledge in sale of large properties to TVA's</p> <p>17 benefit.</p> <p>18 Q. And who arranged for Concentric Energy</p> <p>19 Engineers to be a consultant to TVA on this project?</p> <p>20 A. I don't recall. I was not part of that</p> <p>21 hiring process.</p> <p>22 Q. Did you have any communications with</p> <p>23 Concentric while they were doing their work on this</p> <p>24 project?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 20</p> <p>1 for this project in 2015?</p> <p>2 A. That would be an estimate on my part, but</p> <p>3 I believe that's correct.</p> <p>4 Q. So Concentric was retained before the</p> <p>5 board passed a resolution to sell Bellefonte as surplus</p> <p>6 property?</p> <p>7 A. I don't know the date that the board</p> <p>8 approved -- that the board declared the property</p> <p>9 surplus.</p> <p>10 Q. In May of 2016?</p> <p>11 A. Once again, I'm not sure exactly when</p> <p>12 Concentric was hired.</p> <p>13 Q. Okay. Well, what role did Concentric</p> <p>14 play, if any, regarding negotiation with the</p> <p>15 prospective bidders on the terms of the contract?</p> <p>16 A. I would describe their role as a liaison</p> <p>17 and advisor to TVA.</p> <p>18 Q. And was Carrie O'Neill the person who</p> <p>19 engaged in the liaison between Concentric and TVA?</p> <p>20 A. Carrie acted as a liaison. I don't know</p> <p>21 if she was the only liaison.</p> <p>22 Q. Okay. In terms of did Concentric have</p> <p>23 any questions of TVA regarding terms and conditions of</p> <p>24 the contract?</p> <p>25 A. I don't recall questions. We met with</p>
<p style="text-align: right;">Page 19</p> <p>1 Q. And who was responsible at TVA for</p> <p>2 interfacing with Concentric?</p> <p>3 A. My recollection is that it was Norm</p> <p>4 Steur, S-t-e-u-r.</p> <p>5 Q. Okay. And what position does he hold?</p> <p>6 A. Mr. Steur was a manager in the realty</p> <p>7 group.</p> <p>8 Q. Who at Concentric did you have any</p> <p>9 connection with regarding this project?</p> <p>10 MR. LEMBKE: Connection with?</p> <p>11 BY MR. O'REAR:</p> <p>12 Q. Who did you have any discussions with or</p> <p>13 who did you exchange correspondence with regarding this</p> <p>14 project?</p> <p>15 A. Carrie O'Neill.</p> <p>16 Q. What was her role at Concentric?</p> <p>17 A. I don't recall her title.</p> <p>18 Q. Is she a lawyer?</p> <p>19 A. Not to my knowledge.</p> <p>20 Q. Okay. When was Concentric retained by</p> <p>21 TVA?</p> <p>22 A. I don't know exactly.</p> <p>23 Q. Well, give me your best judgment.</p> <p>24 A. 2015.</p> <p>25 Q. Okay. So they were -- were they retained</p>	<p style="text-align: right;">Page 21</p> <p>1 Concentric to discuss the terms, so there was back and</p> <p>2 forth, but I don't recall exactly what was said.</p> <p>3 Q. Who would be involved in meetings with</p> <p>4 Concentric to discuss the terms and conditions of the</p> <p>5 contract?</p> <p>6 A. I would have been.</p> <p>7 Q. Anyone else?</p> <p>8 A. Yes. I believe those conversations would</p> <p>9 have included Norm Steur, Greg Signer.</p> <p>10 Q. Anyone else?</p> <p>11 A. Perhaps Lorie Hunt.</p> <p>12 Q. Who is Lorie hunt?</p> <p>13 A. She worked in the realty group with Norm.</p> <p>14 Q. Is she a lawyer?</p> <p>15 A. She is a lawyer. Nick McCall.</p> <p>16 Q. Did Concentric negotiate with Nuclear</p> <p>17 Development over the terms and conditions of the</p> <p>18 contract?</p> <p>19 A. Concentric put forward TVA's response to</p> <p>20 Nuclear Development with regard to questions or</p> <p>21 revisions that Nuclear Development requested.</p> <p>22 Negotiate can mean a lot of things. I</p> <p>23 don't know how much back and forth there was.</p> <p>24 Q. Was Concentric authorized to negotiate</p> <p>25 any terms or conditions of the contract absent TVA's</p>

<p style="text-align: right;">Page 22</p> <p>1 approval?</p> <p>2 A. Concentric would not have been authorized</p> <p>3 to take a position to bind TVA to a position without</p> <p>4 TVA's authority.</p> <p>5 Q. And who gave Concentric direction in</p> <p>6 terms of the terms and conditions of the contract?</p> <p>7 A. The same team that I just listed.</p> <p>8 Q. Was there any one person that was</p> <p>9 responsible within that team you mentioned for</p> <p>10 communicating TVA's position to Concentric?</p> <p>11 A. My recollection is that we talked to</p> <p>12 Concentric on conference calls. I would have been the</p> <p>13 primary communicator, but I was not the only one. We</p> <p>14 -- we had a transaction team, so to speak.</p> <p>15 Q. Did your transaction team keep notes and</p> <p>16 records of its communications with Concentric whether</p> <p>17 they were over the phone or by e-mail or by written</p> <p>18 correspondence?</p> <p>19 A. There were e-mails with Concentric. I</p> <p>20 can't speak for the full team as to whether they took</p> <p>21 notes.</p> <p>22 Q. Did you take notes?</p> <p>23 A. I don't recall.</p> <p>24 Q. If you did take notes, would you have</p> <p>25 placed them in a file?</p>	<p style="text-align: right;">Page 24</p> <p>1 A. It would have been both before and after.</p> <p>2 Q. Both before and after, okay.</p> <p>3 Were any changes made to the terms and</p> <p>4 conditions of the contract between the time the initial</p> <p>5 contract form was submitted to prospective bidders and</p> <p>6 the execution of the ultimate contract with Nuclear</p> <p>7 Development?</p> <p>8 A. Yes.</p> <p>9 Q. Do you recall whether there were</p> <p>10 significant changes or were they minor?</p> <p>11 MR. LEMBKE: Objection. Vague as to</p> <p>12 significant and minor.</p> <p>13 BY MR. O'REAR:</p> <p>14 Q. Well, do you recall what changes were</p> <p>15 made to the base contract form that was submitted by</p> <p>16 TVA to Nuclear Development that -- I've forgotten the</p> <p>17 premise.</p> <p>18 (Last question read.)</p> <p>19 MR. O'REAR: Well, that was pursuant to</p> <p>20 --</p> <p>21 BY MR. O'REAR:</p> <p>22 Q. Do you recall what changes, if any, were</p> <p>23 made to the base contract that was provided to Nuclear</p> <p>24 Development and the contract that was ultimately signed</p> <p>25 by TVA and Nuclear Development?</p>
<p style="text-align: right;">Page 23</p> <p>1 A. Yes.</p> <p>2 Q. And what would that file be? What would</p> <p>3 the name of that file be?</p> <p>4 A. Bellefonte would have -- I feel certain</p> <p>5 would have been in the title.</p> <p>6 Q. Are you currently in possession of your</p> <p>7 records and files with respect to Bellefonte?</p> <p>8 A. No.</p> <p>9 Q. Are those records retained within the</p> <p>10 legal department currently?</p> <p>11 A. Yes.</p> <p>12 Q. Did Concentric communicate with</p> <p>13 prospective bidders other than Nuclear Development</p> <p>14 regarding the terms and conditions of the contract?</p> <p>15 A. I recall Concentric communicating with</p> <p>16 one other bidder.</p> <p>17 Q. Who was that?</p> <p>18 A. I actually don't remember the full legal</p> <p>19 name. Jackson Holdings.</p> <p>20 Q. Jackson Holdings?</p> <p>21 A. Was the title.</p> <p>22 Q. And help me with the timeline. Was</p> <p>23 Concentric's communications with the prospective</p> <p>24 bidders before or after those bidders received the</p> <p>25 initial contract form from TVA?</p>	<p style="text-align: right;">Page 25</p> <p>1 A. I recall some changes. I don't know that</p> <p>2 I recall them all.</p> <p>3 Q. Okay. What do you recall?</p> <p>4 A. My recollection is the change that sticks</p> <p>5 out the most in response to Nuclear Development's</p> <p>6 comments on how TVA intended to structure the sale is</p> <p>7 to build in a two-year basically option period for</p> <p>8 Nuclear Development to accomplish all it needed to</p> <p>9 accomplish in order to start building the plant.</p> <p>10 Q. And was it that two-year period between</p> <p>11 the execution of the contract and the closing, was that</p> <p>12 provision in the base contract that was provided?</p> <p>13 A. I don't recall whether that was in an</p> <p>14 earlier draft to the contract internally. I don't</p> <p>15 recall when that was added to the contract, whether it</p> <p>16 was before or after.</p> <p>17 I do know that the change was in response</p> <p>18 to Nuclear Development's understanding of how TVA</p> <p>19 intended to structure the sale, and TVA restructured</p> <p>20 the sale based on Nuclear Development's request.</p> <p>21 Q. Well, how was -- what was TVA's original</p> <p>22 intent to structure the sale?</p> <p>23 A. To have a auction and sale of the</p> <p>24 property soon thereafter, shortly thereafter.</p> <p>25 Q. And do you know what period of time would</p>

7 (Pages 22 - 25)

<p style="text-align: right;">Page 26</p> <p>1 have elapsed between the auction and the ultimate sale 2 under TVA's original formulation of the contract? 3 A. I don't recall what period of time, but a 4 month I would guess. 5 Q. When you were involved in the preparation 6 of the contract with Nuclear Development, did you know 7 what purpose Nuclear Development intended to use the 8 property for? 9 A. Yes. 10 MR. LEMBKE: Objection. Lack of 11 foundation. You can answer. 12 BY MR. O'REAR: 13 Q. And what was that? 14 A. My recollection is they wanted to use it 15 as a nuclear plant. 16 Q. And did you know what the other bidders 17 on the project intended to use the property for? 18 A. My recollection is that some type of 19 power generation was one of the uses described. 20 Q. Was that Jackson Holdings? 21 A. Yes, that was an element of theirs I 22 recall. 23 Q. And when you say "power generation", does 24 that include nuclear power generation? 25 A. I don't believe that was part of their</p>	<p style="text-align: right;">Page 28</p> <p>1 Larry Blust in October of 2016, on behalf of Nuclear 2 Development to include a provision in the contract that 3 required that the construction permits be transferred 4 from TVA to Nuclear Development as a condition of 5 closing the sale of the property? 6 A. I recall that provision, that request. 7 Q. Okay. And do you recall any discussion 8 within TVA about that request? 9 MR. LEMBKE: That's a yes or no answer, 10 Mr. Beach. 11 THE WITNESS: Yes. 12 BY MR. O'REAR: 13 Q. And what was ultimately decided within 14 TVA in terms of responding to that request? 15 MR. LEMBKE: Mr. Beach, let me instruct 16 you not to disclose internal attorney/client 17 communications, but of course, you can testify to 18 what was ultimately conveyed to Nuclear 19 Development or Mr. Blust. 20 THE WITNESS: What was ultimately 21 conveyed was that we were not going to accept Mr. 22 Blust's language, at least verbatim. 23 BY MR. O'REAR: 24 Q. And who made that decision at TVA? 25 A. Bill Johnson would have made the decision</p>
<p style="text-align: right;">Page 27</p> <p>1 plan for the property. 2 Q. And do you recall a group that ultimately 3 bid at the auction by the name of National 4 Environmental Group? 5 A. I do recall another bidder out there, but 6 I don't -- I actually don't recall them submitting a 7 bid. 8 Q. Well, do you know how many groups 9 submitted letters of intent to bid? 10 A. I don't recall the exact number. 11 Q. Was it more than two? 12 A. It could have been. 13 Q. Did any of the prospective bidders other 14 than Nuclear Development submit to TVA an intent to use 15 the property for a nuclear facility? 16 A. I don't recall that. Once again, I was 17 not one of the attorneys that was primarily handling 18 the auction. 19 Q. Well, when you say you don't recall it, 20 do you have any knowledge or information that any of 21 the prospective bidders other than Nuclear Development 22 intended to use the property for a nuclear facility? 23 A. I don't have any knowledge that any of 24 them had that, plans to use it as a nuclear facility. 25 Q. Are you aware of the request made by</p>	<p style="text-align: right;">Page 29</p> <p>1 as to what was in the contract. 2 Q. Okay. Did you take that question to Mr. 3 Johnson for him to decide? 4 A. No. 5 Q. Do you know who did? 6 A. I would guess that it would be Sherry 7 Quirk. 8 MR. LEMBKE: Let's not guess, Mr. Beach. 9 Testify to your personal knowledge. 10 THE WITNESS: Thank you. To my personal 11 knowledge, Sherry was the intermediary with Mr. 12 Johnson. 13 BY MR. O'REAR: 14 Q. How was TVA's decision on that request 15 communicated to Nuclear Development? 16 A. My recollection is that it was 17 communicated in a letter from Concentric back to 18 Nuclear Development. 19 Q. And who at TVA advised Concentric of 20 TVA's position with respect to that request? 21 A. I don't recall exactly. My recollection 22 it would have been on a conference call. 23 Q. With your team that you described 24 earlier? 25 A. Yes.</p>

<p style="text-align: right;">Page 30</p> <p>1 (Exhibit 12 - Previously marked - Bates No. 2 TVABLN00000352, letter from Aaron Nix to Larry 3 Blust, dated August 21, 2018.) 4 BY MR. O'REAR: 5 Q. I've handed you Exhibit 12. I'll ask you 6 to look at it. I'll ask you a couple questions about 7 it. 8 Are you familiar with that letter which 9 is a letter from Mr. Aaron Nicks at TVA to Mr. Larry 10 Blust of August 21, 2018? 11 A. Yes. 12 Q. And directing your attention to the third 13 paragraph it says, "In preparation of the contemplated 14 November 14, 2018, closing, TVA will begin drafting the 15 TVA transaction documents as noted in Section 6C of the 16 agreement." 17 Do you see that? 18 A. Yes. 19 Q. Then it says, "The same will be forwarded 20 to you in the near future for your consideration and 21 review." 22 Do you see that? 23 A. Yes. 24 Q. And were you involved in the preparation 25 of the transaction documents for the November 14, 2018,</p>	<p style="text-align: right;">Page 32</p> <p>1 were emerging during this time period that -- that we 2 felt were pretty serious and wanted to work with 3 Nuclear Development to work through before we moved 4 onto the -- sort of the housekeeping matters associated 5 with closing. 6 Q. And what legal issues were emerging at 7 this time regarding the legality of the transaction? 8 MR. LEMBKE: Mr. Beach, I instruct you to 9 the extent that would require you to disclose 10 internal communications at TVA that are covered by 11 the attorney/client privilege you should not do 12 so, but you can certainly reveal what was 13 communicated to Nuclear Development. 14 BY MR. O'REAR: 15 Q. Well, that's not my question what was 16 communicated to Nuclear Development, which I'll ask 17 that question, but my question is what legal issues 18 were emerging? 19 MR. LEMBKE: You have my instruction. Do 20 not reveal internal TVA communications that are 21 covered by the attorney/client privilege. You can 22 answer if you can. 23 THE WITNESS: I will accept his 24 instruction. 25 MR. LEMBKE: You can answer -- you can</p>
<p style="text-align: right;">Page 31</p> <p>1 closing? 2 A. I did not prepare them. 3 Q. Okay. Were you involved at all? Did you 4 play any role in the preparation of the transaction 5 documents? 6 A. Yes, the documents were sent to me after 7 they were prepared. 8 Q. And who prepared them? 9 A. Nick McCall and TVA's realty group. 10 Q. And who within TVA's realty group? 11 A. Lorie Hunt would have been one. I don't 12 recall who else. I know there was another person in 13 that group that I believe was involved, but I'm just 14 drawing a blank on the name. 15 Q. At this point in time, was TVA 16 contemplating closing the transaction on November 14, 17 2018? 18 A. Yes. 19 Q. And did TVA send the transaction 20 documents to Mr. Blust or anyone on behalf of Nuclear 21 Development? 22 A. No. 23 Q. And why not? 24 A. We felt it would be premature due to some 25 questions about the legality of the transaction that</p>	<p style="text-align: right;">Page 33</p> <p>1 answer if you can do so without revealing those. 2 THE WITNESS: I will reveal the issue or 3 issues that were communicated to Nuclear 4 Development, but I'm going to follow the 5 instruction of my counsel. 6 BY MR. O'REAR: 7 Q. All right. What issues were communicated 8 -- so, you're not going to tell me what legal issues 9 were emerging within TVA on August 21, 2018, or 10 thereafter that caused you not to send the transaction 11 documents to Nuclear Development? 12 MR. LEMBKE: I object to that question. 13 That misstates what the witness said he was 14 prepared to do. 15 He said he was prepared to tell you what 16 were communicated to Nuclear Development which 17 would include -- which would obviously include 18 what was emerging. So you're misstating what he 19 said. 20 MR. O'REAR: Well -- 21 MR. LEMBKE: I object to the question on 22 the same basis. 23 MR. O'REAR: -- if they're the same 24 thing, then go ahead and tell me. 25 THE WITNESS: I believe my first answer</p>

<p style="text-align: right;">Page 34</p> <p>1 spoke to issues that we worked on with Nuclear 2 Development. These are the Nuclear Regulatory 3 Atomic Energy Act, you know, concern that we had 4 regarding the transaction. 5 BY MR. O'REAR: 6 Q. And when was that first communicated to 7 Nuclear Development? 8 A. My recollection is that our concern over 9 the title of the construction permits was first 10 communicated in the October timeframe. 11 Q. When you say "your concern over the title 12 of the construction permits", what do you mean? 13 A. The construction permits were titled in 14 TVA's name. If the plant was transferred, then the 15 plant would not be owned by the entity that had -- who, 16 and you'll have to understand, I'm not a nuclear 17 licensing attorney, so at it's heart, that was the 18 issue though that somehow we'd run afoul of NRC 19 regulations. 20 Q. And that was communicated, that concern 21 of TVA was communicated to Nuclear Development in 22 October of 2018? 23 A. That's my recollection. It could have 24 been September. 25 Q. And who on behalf of TVA communicated</p>	<p style="text-align: right;">Page 36</p> <p>1 we're not going to send you the transaction documents 2 because we have a concern over the title of the 3 construction permits? 4 A. My recollection is that we didn't talk 5 much at all about the transaction documents and I don't 6 know exactly how I phrased it. I just know the Atomic 7 Energy Act and NRC issues were the dominant issues that 8 we talked to Mr. Blust about. 9 Q. Well, this letter says that the 10 transaction documents will be forwarded to you in the 11 near future for your consideration and review. That 12 was on August 21st, 2018. 13 Did TVA ever tell Nuclear Development 14 that the reason these transaction documents were not 15 forwarded to Nuclear Development was because of TVA's 16 concern over the construction permit title? 17 A. I don't recall, but I don't believe we 18 conditioned disclosing the documents on -- my 19 recollection is that at one time, Mr. Blust said it 20 wouldn't take him any time at all to review the 21 documents, and in part that let me know that this is 22 something we could handle once we finally get these 23 Atomic Energy Act issues wrestled to the ground 24 collectively. 25 Q. Did TVA ever send the transaction</p>
<p style="text-align: right;">Page 35</p> <p>1 that to Nuclear Development? 2 A. It would have been members of the legal 3 department to Larry Blust. I would have been involved, 4 but I recall several calls with Larry, and I don't 5 recall dates, but Sherry Quirk would have likely been 6 on the call as well. Chris Chandler as well. 7 Q. Okay. So this communication when this 8 was first broached by TVA with Nuclear Development was 9 over the telephone? 10 A. Yes. 11 Q. During that period of time, was Mr. Blust 12 asking for the transaction documents? 13 A. I recall Mr. Blust asking for the 14 transaction documents at some time. I don't recall 15 exactly when. 16 Q. Did he ask you on multiple occasions for 17 the transaction documents? 18 A. I'd have to have your understanding of 19 what "multiple" means to answer that question. 20 Q. Well, more than once? 21 A. I would say more than once is my 22 recollection, fewer than -- 23 Q. Ten? 24 A. I would say fewer than five, if that. 25 Q. Okay. And did you ever tell Mr. Blust</p>	<p style="text-align: right;">Page 37</p> <p>1 documents to Mr. Blust for his review? 2 A. No, although a couple of transaction 3 documents were a part of the original agreement signed, 4 the most significant documents, I believe at least one. 5 Q. What was that? 6 A. The form of the deed. 7 Q. Was that already executed? 8 A. No. 9 Q. So that was one of the transaction 10 documents that would have to have been signed at the 11 closing, correct? 12 A. Correct. 13 Q. Do you recall Mr. Blust asking as late as 14 the day before the closing for the transaction 15 documents? 16 A. I don't recall that. 17 (Exhibit 35 - Bates No. TVABLN00002941, e-mail 18 from Larry Blust to Aaron Nix and others dated 19 September 5, 2018.) 20 BY MR. O'REAR: 21 Q. I've handed you what's been marked as 22 Exhibit 35. Can you identify Exhibit 35 as e-mail that 23 was sent from Lorie Hunt of TVA to Mr. Blust that 24 copies you and Mr. McCall and others at TVA dated 25 September 5th, 2018?</p>

<p style="text-align: right;">Page 38</p> <p>1 A. I'm sorry, would you repeat the question?</p> <p>2 MR. O'REAR: Could you read that back?</p> <p>3 (The record was read by the Court Reporter.)</p> <p>4 THE WITNESS: I recall this document.</p> <p>5 BY MR. O'REAR:</p> <p>6 Q. Okay. And do you recall that Mr. Blust</p> <p>7 had requested by letter to TVA of August 29, 2018, that</p> <p>8 TVA agree with Nuclear Development to extend the</p> <p>9 closing date to May 14, 2019?</p> <p>10 A. That's my recollection.</p> <p>11 Q. And the letter from Mr. Nix that's</p> <p>12 attached to this e-mail, the second page of the</p> <p>13 exhibit, says that "TVA's reviewing your request</p> <p>14 internally and will contact you concerning the same in</p> <p>15 the near future", correct?</p> <p>16 A. That's what it says.</p> <p>17 Q. "If you have any questions or concerns,</p> <p>18 please contact Cliff Beach or Nick McCall."</p> <p>19 That's stated in the second paragraph of</p> <p>20 the letter, correct?</p> <p>21 A. Correct.</p> <p>22 Q. So what was your involvement in terms of</p> <p>23 consideration of Nuclear Development's request for an</p> <p>24 extension of the closing for six months?</p> <p>25 A. I was involved in the consideration of</p>	<p style="text-align: right;">Page 40</p> <p>1 Did you have any concern or objection</p> <p>2 about granting that extension?</p> <p>3 MR. LEMBKE: I instruct you not to answer</p> <p>4 that question based on the attorney/client</p> <p>5 privilege and attorney work product.</p> <p>6 THE WITNESS: I will take my counsel's</p> <p>7 advice.</p> <p>8 BY MR. O'REAR:</p> <p>9 Q. Did you ever communicate your position on</p> <p>10 the request for extension to anyone outside of TVA?</p> <p>11 MR. LEMBKE: Object to the form of the</p> <p>12 question. It assumes facts not in evidence, but</p> <p>13 you can answer if you understand it.</p> <p>14 THE WITNESS: I did not communicate my</p> <p>15 position to -- my personal position to anyone</p> <p>16 outside of TVA.</p> <p>17 BY MR. O'REAR:</p> <p>18 Q. Did you ever respond to Mr. Blust</p> <p>19 regarding this request for extension?</p> <p>20 A. Yes, my recollection is that we discussed</p> <p>21 it several times on the phone.</p> <p>22 Q. And did you ever state to him a final</p> <p>23 decision of TVA with respect to the request for</p> <p>24 extension?</p> <p>25 A. I don't recall.</p>
<p style="text-align: right;">Page 39</p> <p>1 that request.</p> <p>2 Q. And what was your position on the</p> <p>3 request?</p> <p>4 MR. LEMBKE: Mr. Beach, I instruct you</p> <p>5 not to answer that question to the extent it would</p> <p>6 require you to disclose attorney/client</p> <p>7 communications or attorney work product.</p> <p>8 If you can answer it without disclosing</p> <p>9 that, go ahead.</p> <p>10 THE WITNESS: I think it would benefit</p> <p>11 for me to hear the question again.</p> <p>12 BY MR. O'REAR:</p> <p>13 Q. What was your position on Nuclear</p> <p>14 Development's request for the extension?</p> <p>15 MR. LEMBKE: Same instruction.</p> <p>16 THE WITNESS: I believe answering that</p> <p>17 question would cause me to reveal attorney/client</p> <p>18 communications.</p> <p>19 BY MR. O'REAR:</p> <p>20 Q. Did you have any objection to it?</p> <p>21 MR. LEMBKE: Same instruction.</p> <p>22 THE WITNESS: I have the same concern.</p> <p>23 BY MR. O'REAR:</p> <p>24 Q. I'm not asking you what you communicated.</p> <p>25 I'm asking what was in your head.</p>	<p style="text-align: right;">Page 41</p> <p>1 Q. Did anyone within TVA make a final</p> <p>2 decision on the request for extension?</p> <p>3 A. Yes.</p> <p>4 Q. Who?</p> <p>5 A. Bill Johnson.</p> <p>6 Q. And when was that decision made?</p> <p>7 A. I don't recall.</p> <p>8 Q. Do you know when that decision was</p> <p>9 communicated by anyone within TVA to Nuclear</p> <p>10 Development?</p> <p>11 A. I don't recall the details of that, what</p> <p>12 you're asking.</p> <p>13 Q. Did TVA prepare an agreement that would</p> <p>14 have amended the contract and extended the closing date</p> <p>15 to May 14, 2019?</p> <p>16 A. TVA did prepare a draft. I will say by</p> <p>17 TVA, just the attorneys in the legal group.</p> <p>18 Q. That would have extended the closing to</p> <p>19 May, 2019?</p> <p>20 A. I don't recall a date being in it. It</p> <p>21 was just a very preliminary draft in case it was</p> <p>22 needed.</p> <p>23 Q. Did the draft provide for an extension of</p> <p>24 the closing by at the six months?</p> <p>25 MR. LEMBKE: I would instruct you not to</p>

<p style="text-align: right;">Page 42</p> <p>1 answer that question. Now, it's trying to get 2 into attorney work product and attorney/client 3 communications. 4 THE WITNESS: I feel if I have to answer 5 that, I'm going to have to start talking about 6 attorney/client communications so I'll take that 7 direction. 8 BY MR. O'REAR: 9 Q. Did you ever have a phone call with Mr. 10 Blust in which you advised him that TVA had prepared a 11 letter and an amendment to the contract which agreed to 12 the extension that he had requested and that TVA hoped 13 to send it out to him shortly after that call? 14 A. I recall telling Mr. Blust that we had 15 prepared an amendment. I don't recall exactly what we 16 said, but certainly that -- yeah, I don't recall the 17 exact exchange. 18 Q. And when you told him you prepared an 19 amendment, did you tell him you'd prepared an amendment 20 that agreed to the request for extension? 21 A. I recall that I told him we had an 22 amendment that extended the contract. I don't recall 23 dates. 24 Q. Do you recall the duration of the 25 extension?</p>	<p style="text-align: right;">Page 44</p> <p>1 date by six months. Okay? 2 A. Yes. 3 Q. And I would just want to make sure that 4 your answers have been with respect to Nuclear 5 Development's request for extension for six months. 6 A. Well, I viewed a shorter extension as a 7 partial granting of Nuclear Development's six-month 8 request. 9 Q. Oh, you do? Okay. Well, who -- didn't 10 TVA actually request that extension in November? 11 A. I don't recall the exchange being the way 12 you characterize it. 13 Q. What do you recall about who initiated 14 the desire to extend the closing from November 14 to 15 November 30? 16 A. My recollection is that Sherry Quirk was 17 the communicator I recall, being in the room. 18 Q. The communicator to Nuclear Development? 19 A. Yeah, to Larry Blust. 20 Q. And you were in the room when that 21 request was made? 22 A. Once again, I -- I don't know that I 23 would call it a request. We had a standing request 24 from Nuclear Development for a six-month extension. 25 I viewed it as more TVA saying let's</p>
<p style="text-align: right;">Page 43</p> <p>1 A. I don't recall telling Mr. Blust exactly 2 what the extension would have been. 3 Q. Do you recall when that phone 4 conversation was? 5 A. I don't recall the exact date, no. 6 Q. Who was on that call where you made these 7 statements to Mr. Blust about the amendment extending 8 the closing date? 9 A. I don't recall. 10 Q. Did you make any notes of that call? 11 A. I don't recall that either. 12 Q. Do you recall whether Nick McCall was on 13 that call? 14 MR. LEMBKE: Objection. Asked and 15 answered. 16 THE WITNESS: Possibly. 17 BY MR. O'REAR: 18 Q. Was the amendment extending the closing 19 date, and let me just clarify. There was -- there was 20 actually an extension of the closing date in November 21 from extending the closing from November 14, 2018 to 22 November 30, 2018, was there not? 23 A. Yes. 24 Q. I'm referring to a previous request for 25 extension by Nuclear Development to extend the closing</p>	<p style="text-align: right;">Page 45</p> <p>1 extend it for a couple of weeks to -- so we can 2 continue to work on these Atomic Energy Act matters. 3 Q. Did TVA ever send a draft of an agreement 4 to extend the closing by six months to Nuclear 5 Development? 6 A. No. 7 MR. LEMBKE: Is this a good time for a 8 break? 9 MR. O'REAR: Sure. 10 THE VIDEOGRAPHER: We're going to go off 11 the record at 10:01. 12 (Recess taken.) 13 THE VIDEOGRAPHER: We're back on the 14 record at 10:14. 15 BY MR. O'REAR: 16 Q. Mr. Beach, I believe I asked you if you 17 prepared notes of the phone call we just discussed with 18 Mr. Blust. You said you couldn't recall, is that 19 correct? 20 A. That's correct. 21 Q. If you did have notes, would they have 22 been put in your Bellefonte file? 23 A. Yes. 24 Q. And that file would be retained within 25 the legal department currently?</p>

<p style="text-align: right;">Page 46</p> <p>1 A. Yes.</p> <p>2 Q. Were there a number of calls between you</p> <p>3 and Mr. Blust in the October 2018 timeframe, regarding</p> <p>4 Bellefonte?</p> <p>5 MR. LEMBKE: Object to the form. Vague.</p> <p>6 THE WITNESS: Well, I think I need to</p> <p>7 know what you consider a number.</p> <p>8 BY MR. O'REAR:</p> <p>9 Q. Well, were there more than one?</p> <p>10 A. Yes.</p> <p>11 Q. Okay. Do you specifically recall a phone</p> <p>12 call between you and Mr. Blust where Mr. Nick McCall</p> <p>13 was also on the -- on the call on October the 3rd,</p> <p>14 2018?</p> <p>15 A. I don't recall specific dates.</p> <p>16 Q. Okay. That's why I was a little vaguer</p> <p>17 in my first question because I thought you'd already</p> <p>18 said you didn't recall specific dates, but I'll ask you</p> <p>19 about another specific date.</p> <p>20 Do you recall a phone call between you,</p> <p>21 Nick McCall and Larry Blust on October the 5th, 2018?</p> <p>22 A. Once again, I don't recall specific</p> <p>23 dates.</p> <p>24 Q. Do you recall whether you made notes or</p> <p>25 there's any sort of record of what was said in any of</p>	<p style="text-align: right;">Page 48</p> <p>1 Q. Do you know whether Bill Johnson met with</p> <p>2 any directors regarding the six-month request for</p> <p>3 extension?</p> <p>4 A. I don't know.</p> <p>5 Q. Did you ever personally meet with any of</p> <p>6 the board of directors regarding issues involving</p> <p>7 Bellefonte?</p> <p>8 A. No.</p> <p>9 Q. Did you -- were you present at any board</p> <p>10 committee meetings where issues regarding Bellefonte</p> <p>11 were discussed?</p> <p>12 A. No.</p> <p>13 Q. Do you know whether Mr. Johnson met with</p> <p>14 directors regarding the request for extension?</p> <p>15 A. I don't know.</p> <p>16 (Exhibit 16 - Previously marked, Bates No.</p> <p>17 TVABLN000000522 through 525, e-mail from James</p> <p>18 Chardos to Larry Blust, dated November 6, 2018.)</p> <p>19 BY MR. O'REAR:</p> <p>20 Q. I've handed you Exhibit 16. I'd like for</p> <p>21 you to look at it.</p> <p>22 The top e-mail on it is an e-mail from</p> <p>23 James Chardos to Larry Blust dated November 6, 2018.</p> <p>24 There are a series of e-mails below that in the</p> <p>25 exhibit.</p>
<p style="text-align: right;">Page 47</p> <p>1 the phone calls with Mr. Blust?</p> <p>2 A. I don't recall if there's a written</p> <p>3 record.</p> <p>4 Q. Okay. Do you recall stating to Mr. Blust</p> <p>5 in a phone call in October of 2018, that Sherry Quirk</p> <p>6 had met with three directors the day before the call</p> <p>7 who had stated to her they had no problem with the</p> <p>8 extension of the closing to May of 2019?</p> <p>9 A. I don't recall that.</p> <p>10 Q. You don't recall that?</p> <p>11 A. No.</p> <p>12 Q. Do you recall whether Mr. Nick McCall</p> <p>13 made that statement in a phone call with Mr. Blust?</p> <p>14 A. I don't recall that.</p> <p>15 Q. Do you know whether Sherry Quirk met with</p> <p>16 directors to discuss the six-month request for</p> <p>17 extension during the early October 2018, timeframe?</p> <p>18 A. I do not know.</p> <p>19 Q. Do you recall telling Mr. Blust in a</p> <p>20 phone call in early October 2018, that not only had</p> <p>21 Sherry Quirk met with three directors, but that Bill</p> <p>22 Johnson intended to meet with some additional directors</p> <p>23 to feel them out on the six-month request for</p> <p>24 extension?</p> <p>25 A. I don't recall.</p>	<p style="text-align: right;">Page 49</p> <p>1 Can you tell the court who James Chardos</p> <p>2 is?</p> <p>3 A. James Chardos is a TVA employee. He was</p> <p>4 part of a team of employees that were working on the</p> <p>5 Bellefonte transaction. He's not an attorney.</p> <p>6 Q. Do you know that Mr. Chardos was in</p> <p>7 regular communication with representatives of Nuclear</p> <p>8 Development on the Bellefonte transaction?</p> <p>9 A. I was not aware he was in regular</p> <p>10 communication with Larry. I was aware that he had</p> <p>11 communications with the -- the Haney's.</p> <p>12 Q. And turn to page two of the -- let me ask</p> <p>13 you.</p> <p>14 Did you ever receive this exhibit or see</p> <p>15 these e-mails that are depicted in this particular</p> <p>16 exhibit?</p> <p>17 MR. LEMBKE: What was the question? I'm</p> <p>18 sorry.</p> <p>19 MR. O'REAR: Did he ever see this exhibit</p> <p>20 or the e-mails depicted in the exhibit.</p> <p>21 MR. LEMBKE: All right. Thank you.</p> <p>22 THE WITNESS: No, I've not seen these. I</p> <p>23 mean, I was not provided these in this 2018</p> <p>24 timeframe.</p> <p>25 BY MR. O'REAR:</p>

<p style="text-align: right;">Page 50</p> <p>1 Q. Turn to page two of the exhibit if you 2 would. There's an e-mail in the middle of the page 3 from Larry Blust to James Chardos dated November the 4 6th, 2018. 5 It says, "Per Cliff Beach, Bill Johnson 6 is meeting with Memphis City Council this afternoon and 7 will not make up his mind until after that meeting." 8 Do you see that? 9 MR. LEMBKE: Object to the form. Lack of 10 foundation. 11 BY MR. O'REAR: 12 Q. Do you see that? 13 MR. LEMBKE: Same objection. You can 14 answer. 15 THE WITNESS: I do see what you're 16 pointing to, yes. 17 BY MR. O'REAR: 18 Q. All right. And did you tell Larry Blust 19 on November 6, 2018, that Bill Johnson was meeting with 20 the Memphis City Council that afternoon? 21 A. I don't recall. 22 Q. Did you tell Larry Blust that Bill 23 Johnson was meeting with the Memphis City Council that 24 afternoon and will not make up his mind until after 25 that meeting?</p>	<p style="text-align: right;">Page 52</p> <p>1 the Memphis City Council on November 6, 2018? 2 A. I don't know. 3 Q. Okay. Did you ever receive any reports 4 of Mr. Johnson meeting with the Memphis City Council in 5 early November 2018? 6 MR. LEMBKE: That's a yes or no answer. 7 THE WITNESS: No, I don't recall any 8 reports. 9 BY MR. O'REAR: 10 Q. And again, do you have any recollection 11 of making any notes of a conversation with Mr. Blust in 12 early November 2018, where Bill Johnson and the Memphis 13 City Council was discussed? 14 A. I have no memory of making notes. 15 (Exhibit 18 - Previously marked - Bates No. 16 TVABLN00006247 through 6251, e-mail from Jack 17 McCall to Lorie Molton Hunt and others dated 18 November 9, 2018.) 19 BY MR. O'REAR: 20 Q. I've handed you Exhibit 18. On the first 21 page it reflects an e-mail from Mr. Nick McCall to 22 Lorie Hunt and others, including yourself on November 23 the 9th, 2018. 24 Do you see that? 25 A. Yes.</p>
<p style="text-align: right;">Page 51</p> <p>1 A. I don't recall. 2 Q. Do you have any recollection of a 3 discussion with Mr. Blust on this topic? 4 A. The topic that's referenced in this? 5 Q. The topic of Bill Johnson meeting with 6 the Memphis City Council on November 6, 2018. 7 A. I don't have any recollection of talking 8 to Larry about that, no. 9 Q. Do you deny that you made those 10 statements to Mr. Blust? 11 MR. LEMBKE: Well, now I object because 12 you're misstating the evidence. 13 MR. O'REAR: I'm asking him a question. 14 I'm not stating evidence. 15 MR. LEMBKE: Well, you're referencing an 16 exhibit that doesn't say what you're saying it 17 says. 18 BY MR. O'REAR: 19 Q. Do you deny that you told Larry Blust 20 that Bill Johnson is meeting with the Memphis City 21 Council this afternoon and will not make up his mind 22 until after that meeting? 23 A. What I'm saying is I don't have any 24 recollection of that conversation. 25 Q. Do you know whether Mr. Johnson met with</p>	<p style="text-align: right;">Page 53</p> <p>1 Q. And did you receive this e-mail? 2 A. I feel certain I did, yes. 3 Q. And would you have received the e-mail 4 beneath it of the same date that has your name on it? 5 A. Yes. 6 Q. And that e-mail, the second one on the 7 exhibit is actually from Nick McCall to Larry Blust, 8 correct? 9 A. Yes. 10 Q. And it attaches the first amendment to 11 the Bellefonte purchase and sale agreement, correct? 12 A. Correct. 13 Q. And this amendment was entered into on 14 November the 8th, 2019, correct, or effective 15 November 8th, 2018? 16 A. Correct. 17 Q. Okay. And is this the short extension we 18 were referring to earlier in your deposition? 19 A. Yes. 20 Q. Did you have a role in preparing this 21 amendment? 22 A. I would have reviewed it. 23 Q. And approved it? 24 A. Yes. 25 Q. Was your -- was there any approval of</p>

<p style="text-align: right;">Page 54</p> <p>1 this amendment required above you in order for Mr. Nix 2 to sign this amendment? 3 A. Yes. Bill Johnson would have had to have 4 approved. 5 Q. And was the purpose of this amendment to 6 give TVA more time to look at the question of the 7 effect of the Atomic Energy Act on this closing? 8 A. No. 9 MR. LEMBKE: Hold on. Let me instruct 10 you to the extent that would require -- the 11 amendment speaks for itself, so I object to the 12 form on that basis, and the amendment includes 13 issues beyond the extension, but I instruct you to 14 the extent that it would require you to reveal 15 internal attorney/client communications that 16 aren't reflected in the terms of the amendment, 17 you should not answer the question. 18 THE WITNESS: Could I hear the question 19 again? 20 (The record was read by the Court Reporter.) 21 THE WITNESS: I believe that TVA's 22 motivation in signing this goes to attorney/client 23 privilege. 24 BY MR. O'REAR: 25 Q. So you're not going to answer?</p>	<p style="text-align: right;">Page 56</p> <p>1 of two legality concerns that we raised with Nuclear 2 Development and asked them to -- for their opinion. 3 Q. You said one of the two legalities? 4 A. Yes, one of the two. 5 Q. What's the other one? 6 A. This was the first. The second one was 7 whether the -- the transfer of the plant from TVA to 8 Nuclear Development, because it is a licensed plant, 9 would violate the Atomic Energy Act. I see those as -- 10 they were distinct concerns. 11 Q. And does this refresh your recollection 12 that the first conversation you had with Mr. Blust was 13 shortly prior to this e-mail of November the 9th, 2018, 14 when you advised him of your concern over the first 15 issue regarding title to the construction permits? 16 A. Yes, this was in follow-up to a call with 17 Mr. Blust in the -- I don't remember the exact date 18 prior -- 19 Q. Would it have been the day before -- 20 A. -- prior to this. 21 Q. -- November 8, 2018? 22 A. It's -- I don't recall the exact date, 23 but that's within a range of a few days, I would say 24 when that conversation took place. 25 Q. Did you prepare the document that's</p>
<p style="text-align: right;">Page 55</p> <p>1 A. I'm not going to answer. 2 (Exhibit 17 - Previously marked - Bates No. 3 TVABLN00002643 through 2644, e-mail from Clifford 4 Beach to Larry Blust dated November 9, 2018.) 5 BY MR. O'REAR: 6 Q. I've handed you what's been marked as 7 Exhibit 17. This is an e-mail from you dated 8 November 9, 2018, to Mr. Blust and copying Chris 9 Chandler and Sherry Quirk, correct? 10 A. Correct. 11 Q. Okay. And you say in this e-mail, 12 "Larry, as promised, attached are several bullets 13 relating to our recent discussion." 14 A. Correct. 15 Q. What recent discussion are you referring 16 to? 17 A. We had had a discussion with Larry 18 sometime in the previous few days, week, where we 19 explained to Larry the -- and he seemed aware of it, 20 the concern with transferring the plant and creating a 21 condition where the construction permits would identify 22 a party other than the owner of the plant. 23 Q. Is this the same point you made earlier 24 about the title to the construction permits? 25 A. It is the same point, yes. This was one</p>	<p style="text-align: right;">Page 57</p> <p>1 attached to the e-mail? 2 A. No. 3 Q. Who prepared that? 4 A. Chris Chandler. 5 Q. And was it your intent in sending this 6 e-mail to Mr. Blust, to advise him of regulations of 7 the NRC that pertain to the issue of the title to the 8 construction permits? 9 MR. LEMBKE: Mr. Beach, to the extent the 10 question on your intent would cause you to 11 disclose attorney/client communications or 12 attorney work product, you shouldn't answer it. 13 To the extent you can answer it without 14 that disclosure, go ahead. 15 THE WITNESS: Could I hear the question 16 again? 17 (The record was read by the Court Reporter.) 18 THE WITNESS: Yes. 19 BY MR. O'REAR: 20 Q. Okay. And this e-mail, I believe you've 21 said did not pertain to the second legal question you 22 described, which was the effect of the Atomic Energy 23 Act on the timing of the closing? 24 A. Well, I don't agree that the Atomic 25 Energy Act just -- the concern of the Atomic Energy Act</p>

<p style="text-align: right;">Page 58</p> <p>1 justifies the timing --</p> <p>2 Q. Okay.</p> <p>3 A. -- but it is a distinct issue in my mind.</p> <p>4 Q. But that distinct issue is not addressed</p> <p>5 in this e-mail or in this attachment to this e-mail, is</p> <p>6 that correct?</p> <p>7 A. That's correct.</p> <p>8 Q. When did you or anyone at TVA first</p> <p>9 advise Nuclear Development of a concern with respect to</p> <p>10 the second discreet legal question that you've just</p> <p>11 described?</p> <p>12 A. I don't recall the exact date.</p> <p>13 Q. As best you can recall, when was it?</p> <p>14 A. November, mid-November.</p> <p>15 (Exhibit 19 - Previously marked - Bates No.</p> <p>16 TVABLN00000043 through 44, e-mail from Larry</p> <p>17 Blust to Clifford Beach and others, dated</p> <p>18 November 12, 2018.)</p> <p>19 BY MR. O'REAR:</p> <p>20 Q. I've handed you Exhibit 19 and ask you to</p> <p>21 look at it and I'll ask you a few questions about it.</p> <p>22 Did you receive this e-mail from Larry</p> <p>23 Blust dated November the 12th, 2018?</p> <p>24 A. I did.</p> <p>25 Q. That is also copied to Mr. Chris Chandler</p>	<p style="text-align: right;">Page 60</p> <p>1 Blust to Sherry Quirk and others dated November</p> <p>2 13, 2019.)</p> <p>3 BY MR. O'REAR:</p> <p>4 Q. I've handed you what's been marked as</p> <p>5 Exhibit 26. Can you identify that with the top e-mail</p> <p>6 being from Larry Blust to Ms. Quirk and to you, copy to</p> <p>7 Mr. Chandler and others dated November 13, 2018?</p> <p>8 A. I recall this, yes.</p> <p>9 Q. And I'm asking you to look at this e-mail</p> <p>10 simply for the purpose of focusing on the second e-mail</p> <p>11 on the first page from Ms. Quirk to Mr. Blust dated</p> <p>12 November 13, 2018.</p> <p>13 It says, "Larry, we are with the board</p> <p>14 today and tomorrow and will be back in touch on</p> <p>15 Thursday."</p> <p>16 Do you see that?</p> <p>17 A. Yes.</p> <p>18 Q. And this was copied to you as well,</p> <p>19 correct, that e-mail?</p> <p>20 A. Yes.</p> <p>21 Q. And were you with the board also on that</p> <p>22 date?</p> <p>23 A. No.</p> <p>24 Q. Were you with the board the next day,</p> <p>25 November 14, 2018?</p>
<p style="text-align: right;">Page 59</p> <p>1 and to Sherry Quirk among others, correct?</p> <p>2 A. Correct.</p> <p>3 Q. And do you see the attachment to the</p> <p>4 e-mail?</p> <p>5 A. I do.</p> <p>6 Q. And what did you understand the</p> <p>7 attachment to be when you received it on November the</p> <p>8 12th, 2018?</p> <p>9 A. I understood it to be observations,</p> <p>10 comments from Nuclear Development's outside Nuclear</p> <p>11 Regulatory counsel commenting on the, what I'll call</p> <p>12 the construction permit issue.</p> <p>13 Q. Had the second legal question you</p> <p>14 described in this deposition been discussed with</p> <p>15 Nuclear Development prior to your receipt of this</p> <p>16 e-mail on November 12, 2018?</p> <p>17 A. Can I hear that question one more time?</p> <p>18 (The record was read by the Court Reporter.)</p> <p>19 THE WITNESS: It's my recollection that</p> <p>20 we were not -- that no, it had not been discussed.</p> <p>21 MR. O'REAR: I don't have another copy.</p> <p>22 Do you have a copy?</p> <p>23 MR. LEMBKE: I do.</p> <p>24 (Exhibit 26 - Previously marked - Bates No.</p> <p>25 TVABLN00000038 through 39, e-mail from Larry</p>	<p style="text-align: right;">Page 61</p> <p>1 A. No.</p> <p>2 Q. Do you know what discussions, if any,</p> <p>3 occurred with the board regarding Bellefonte on those</p> <p>4 days?</p> <p>5 A. I do not.</p> <p>6 Q. Do you recall a phone call that you, Miss</p> <p>7 Quirk, Mr. Chandler and Mr. McCall made to Larry Blust</p> <p>8 on November 15th, 2018?</p> <p>9 A. I don't recall specific dates of calls.</p> <p>10 Q. Do you recall a phone conversation where</p> <p>11 those parties were involved, including Mr. Blust, after</p> <p>12 Exhibit 19 date of November 12, 2018, where you said in</p> <p>13 the call that you had or that TVA had discovered for</p> <p>14 the first time, a problem with the Atomic Energy Act as</p> <p>15 it related to the closing?</p> <p>16 A. I do recall that call.</p> <p>17 Q. Okay. And was that call after</p> <p>18 November 12th, 2018?</p> <p>19 A. I believe it was.</p> <p>20 Q. And so when you sent the e-mail --</p> <p>21 A. I'm sorry, November 18th or November --</p> <p>22 Q. No, I said -- I meant to say --</p> <p>23 A. I'm sorry. I was looking at</p> <p>24 November 12th and I --</p> <p>25 Q. I meant to say November 12th of 2018.</p>

<p style="text-align: right;">Page 62</p> <p>1 A. I --</p> <p>2 Q. I'm asking you if the call was after</p> <p>3 November 12th, 2018?</p> <p>4 A. I believe it was, yes. But I'll have to</p> <p>5 confess, I'm fuzzy on dates of calls.</p> <p>6 Q. Do you recall Miss Quirk stating in that</p> <p>7 phone call that I'm asking you about which occurred</p> <p>8 after November 12, 2018, that Bill Johnson was not</p> <p>9 inclined to grant the six-month extension because of</p> <p>10 Nuclear Development's efforts to take Memphis away from</p> <p>11 TVA?</p> <p>12 A. I don't recall her saying that. I am</p> <p>13 inclined -- I'm not quite sure, that can mean different</p> <p>14 things to different people. I seem to recall her</p> <p>15 telling Mr. Blust we weren't inclined to extend. I</p> <p>16 don't recall the conversation after that.</p> <p>17 Q. You don't recall her linking the</p> <p>18 inclination not to extend to Nuclear Development's</p> <p>19 meetings with Memphis?</p> <p>20 A. I don't recall her saying that, no.</p> <p>21 Q. Well, was that the reason?</p> <p>22 MR. LEMBKE: Mr. Beach, I instruct you to</p> <p>23 the extent that would require you to disclose</p> <p>24 attorney/client communications, you should not</p> <p>25 disclose it.</p>	<p style="text-align: right;">Page 64</p> <p>1 A. I stated that we've, yes, discovered this</p> <p>2 Atomic Energy Act concern, and wanted Nuclear</p> <p>3 Development's opinion on this issue because it</p> <p>4 concerned both of us.</p> <p>5 Q. And how -- how did you discover it?</p> <p>6 MR. LEMBKE: Mr. Beach, I instruct you</p> <p>7 not to answer that question to the extent it would</p> <p>8 require you to disclose attorney/client</p> <p>9 communications.</p> <p>10 To the extent you can do so without doing</p> <p>11 that, go ahead.</p> <p>12 THE WITNESS: I can't answer that without</p> <p>13 disclosing attorney/client communications.</p> <p>14 BY MR. O'REAR:</p> <p>15 Q. Did you make any notes of this phone</p> <p>16 call?</p> <p>17 A. I don't recall.</p> <p>18 Q. So, same answer with respect to all of</p> <p>19 the questions I've asked regarding the various phone</p> <p>20 calls, correct?</p> <p>21 A. As far as notes?</p> <p>22 Q. Yes.</p> <p>23 A. I don't recall.</p> <p>24 Q. Was it your practice to make notes when</p> <p>25 you were involved in phone calls of this nature?</p>
<p style="text-align: right;">Page 63</p> <p>1 If you can answer otherwise, go ahead.</p> <p>2 THE WITNESS: I can't answer that. It</p> <p>3 would require me to disclose attorney/client</p> <p>4 communications.</p> <p>5 BY MR. O'REAR:</p> <p>6 Q. Did you say in this phone conversation</p> <p>7 that we're talking about, that you had just discovered</p> <p>8 for the first time a problem with the statute as it</p> <p>9 effected the closing?</p> <p>10 MR. LEMBKE: Asked and answered.</p> <p>11 THE WITNESS: I think the best thing</p> <p>12 would be to go -- yeah, to look at my prior</p> <p>13 answer.</p> <p>14 MR. LEMBKE: You can answer it again.</p> <p>15 THE WITNESS: Okay. I don't -- I don't</p> <p>16 recall whether the conversation concerning the</p> <p>17 Atomic Energy Act was in the same conversation as</p> <p>18 the discussion on TVA being inclined not to</p> <p>19 extend.</p> <p>20 BY MR. O'REAR:</p> <p>21 Q. Okay. Well, but in one of the phone</p> <p>22 calls that occurred after November the 12th, 2018, you</p> <p>23 did say that you had just discovered the problem with</p> <p>24 the attorney -- Atomic Energy Act as it effected the</p> <p>25 closing, correct?</p>	<p style="text-align: right;">Page 65</p> <p>1 A. It varied. I tend to take -- not take a</p> <p>2 lot of notes. Sometimes I do and sometimes I don't.</p> <p>3 It just depends on the nature of the call and what was</p> <p>4 discussed.</p> <p>5 MR. O'REAR: I believe that's a new one.</p> <p>6 MR. LEMBKE: Uh-huh. Just off the record</p> <p>7 for a minute.</p> <p>8 THE VIDEOGRAPHER: We're going off the</p> <p>9 record at 10:50. Okay. We're off.</p> <p>10 (Off record discussion.)</p> <p>11 THE VIDEOGRAPHER: We're back on the</p> <p>12 record at 10:50.</p> <p>13 (Exhibit 36 - Bates No. TAVABLN00002954, e-mail</p> <p>14 from Larry Blust to Clifford Beach, dated</p> <p>15 November 16, 2018.)</p> <p>16 BY MR. O'REAR:</p> <p>17 Q. I've handed you what's been marked as</p> <p>18 Exhibit 36 to your deposition. If you could take a</p> <p>19 look at that, I have a few questions.</p> <p>20 And the top e-mail in that exhibit is</p> <p>21 from Mr. Blust to you, copies to Mr. Chandler and Miss</p> <p>22 Quirk dated November 16, 2018, correct?</p> <p>23 A. Correct.</p> <p>24 Q. And the second e-mail is an e-mail from</p> <p>25 you to Mr. Blust of the same date, correct?</p>

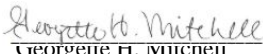
<p style="text-align: right;">Page 66</p> <p>1 A. Correct.</p> <p>2 Q. And in your e-mail you attached an</p> <p>3 excerpt from section 101 of the Atomic Energy Act,</p> <p>4 correct?</p> <p>5 A. Correct.</p> <p>6 Q. And was this date on November 16, 2018,</p> <p>7 the first time you had looked at that section of the</p> <p>8 act in conjunction with its effect on the closing of</p> <p>9 the transaction?</p> <p>10 A. This date, November 16th?</p> <p>11 Q. Yes.</p> <p>12 A. No.</p> <p>13 Q. Okay. And when had you looked at it</p> <p>14 prior to that date then?</p> <p>15 Well, let me ask it this way. It says,</p> <p>16 "We discussed yesterday." So you would have been aware</p> <p>17 of this section on November 15, 2018, correct?</p> <p>18 A. Correct.</p> <p>19 Q. Okay. Would that have been the first</p> <p>20 time you were made aware of this section of the act and</p> <p>21 its potential effect on the closing?</p> <p>22 MR. LEMBKE: Hold on a second. I'm going</p> <p>23 to object to that question. The "made aware" part</p> <p>24 of it has the potential to disclose internal</p> <p>25 attorney/client communications. So to the extent</p>	<p style="text-align: right;">Page 68</p> <p>1 discussed, but I don't recall it being a proposal, more</p> <p>2 of a discussion that was part and parcel of the Atomic</p> <p>3 Energy Act if it's unresolved, then unwinding is</p> <p>4 something to consider.</p> <p>5 Q. Did Miss Quirk raise the issue of</p> <p>6 unwinding the transaction?</p> <p>7 A. I believe so.</p> <p>8 Q. Did Miss Quirk say anything about Bill</p> <p>9 Johnson have -- having suggested that the parties</p> <p>10 should unwind the transaction?</p> <p>11 A. I don't recall that.</p> <p>12 Q. Did Mr. Blust say in that phone call that</p> <p>13 Nuclear Development had no interest in unwinding the</p> <p>14 transaction?</p> <p>15 A. I don't recall Mr. Blust being</p> <p>16 unequivocally opposed to unwinding it.</p> <p>17 Q. Did Mr. Blust say anything that would</p> <p>18 indicate Nuclear Development would be interested in</p> <p>19 unwinding the transaction?</p> <p>20 A. I don't recall him taking a position.</p> <p>21 (Exhibit 23 - Previously marked - Bates No.</p> <p>22 TVABLN00000045 through 46, e-mail from Clifford</p> <p>23 Beach to Larry Blust dated November 28, 2018.)</p> <p>24 BY MR. O'REAR:</p> <p>25 Q. I've handed you Exhibit 23. Can you</p>
<p style="text-align: right;">Page 67</p> <p>1 that would require you to disclose the content of</p> <p>2 an internal communication, you should not answer</p> <p>3 the question.</p> <p>4 To the extent you can answer it without</p> <p>5 disclosing that, go ahead.</p> <p>6 THE WITNESS: I recall becoming aware of</p> <p>7 it November 15th, or maybe a day or two before. I</p> <p>8 don't recall the exact date.</p> <p>9 BY MR. O'REAR:</p> <p>10 Q. Do you recall a conference call on</p> <p>11 November the 19th, 2018, that involved you, Miss Quirk,</p> <p>12 Chris Chandler and Larry Blust?</p> <p>13 A. I don't recall exact dates. I recall at</p> <p>14 least one call late November.</p> <p>15 Q. Do you -- would that call have been</p> <p>16 sometime after this e-mail that's marked as Exhibit 36</p> <p>17 dated November 16, 2018?</p> <p>18 A. Yes.</p> <p>19 Q. And in that call, do you recall</p> <p>20 Mrs. Quirk stating that Bill Johnson had said that both</p> <p>21 sides should unwind the transaction?</p> <p>22 A. I don't recall her phrasing, making a</p> <p>23 statement as you described it.</p> <p>24 Q. What do you recall that she said?</p> <p>25 A. I recall unwinding the transaction being</p>	<p style="text-align: right;">Page 69</p> <p>1 identify that as an e-mail that you sent to Larry Blust</p> <p>2 on November 28, 2018, that is copied to Sherry Quirk?</p> <p>3 I have a question on the table, and so,</p> <p>4 do you need me to restate it?</p> <p>5 A. I'm sorry. I was reading.</p> <p>6 Q. That's all right. Is this -- can you</p> <p>7 identify this as an e-mail you sent to Larry Blust, a</p> <p>8 copy to Sherry Quirk on November 28, 2018?</p> <p>9 A. Yes.</p> <p>10 Q. And on the second page there is an e-mail</p> <p>11 from Mr. Blust to you of the same date, correct?</p> <p>12 A. Correct.</p> <p>13 Q. Mr. Blust references in his e-mail to you</p> <p>14 that, "We have repeatedly requested that you send us</p> <p>15 your drafts of closing documents, but have received</p> <p>16 nothing."</p> <p>17 Did he say that?</p> <p>18 A. He does.</p> <p>19 Q. I mean, that was a true statement, right?</p> <p>20 A. I would not say repeatedly. I would not</p> <p>21 agree that it's -- the request was made repeatedly.</p> <p>22 Q. It was made on multiple occasions though,</p> <p>23 wasn't it?</p> <p>24 MR. LEMBKE: Objection. Vague.</p> <p>25 BY MR. O'REAR:</p>

<p style="text-align: right;">Page 70</p> <p>1 Q. Between two and five I think we settled 2 on earlier, right?</p> <p>3 A. I could agree with that.</p> <p>4 Q. Okay. All right. Now, in your e-mail to 5 Mr. Blust you say that, "Franklin provides Bill Johnson 6 with a last minute extension proposal this afternoon 7 that we are now considering", correct?</p> <p>8 A. Correct.</p> <p>9 Q. And Franklin is Franklin Haney with 10 Nuclear Development?</p> <p>11 A. Correct, although I'm actually not sure 12 which Franklin.</p> <p>13 Q. Well, the son goes by Frank and the 14 father goes by Franklin.</p> <p>15 A. Okay. Then I would say Franklin.</p> <p>16 Q. And where did you get your information 17 that Franklin had provided Bill Johnson with a last 18 minute extension proposal that afternoon?</p> <p>19 MR. LEMBKE: Let me instruct you to the 20 extent that would require disclosure of 21 attorney/client communications, you should not 22 disclose it, but if you can answer without that -- 23 actually, I'm going to withdraw that instruction 24 and if you know who you can answer, who provided 25 you that information.</p>	<p style="text-align: right;">Page 72</p> <p>1 BY MR. O'REAR:</p> <p>2 Q. What was Mr. Franklin Haney's proposal as 3 you understood it?</p> <p>4 A. From getting that information from Sherry 5 Quirk, it involved some type of noncompete arrangement.</p> <p>6 Q. Is there any writing or notes that you're 7 aware of that would reflect that communication from Mr. 8 Haney?</p> <p>9 A. I did not see any notes.</p> <p>10 Q. And when you say some sort of 11 "noncompete", did you have any understanding of what 12 that would entail?</p> <p>13 A. My recollection is that it entailed an 14 agreement by -- somehow incorporating in the documents 15 an agreement on who Nuclear Development could sell 16 power to if they did build the plant.</p> <p>17 Q. And do you know any specifics of that 18 proposal?</p> <p>19 A. Not beyond that.</p> <p>20 Q. Did you understand this proposal from Mr. 21 Haney to be different from the request for the 22 six-month extension made by Mr. Blust on August the 23 29th, 2018?</p> <p>24 A. I don't know that -- no, I did not 25 consider that question. So you're asking me one more</p>
<p style="text-align: right;">Page 71</p> <p>1 THE WITNESS: Sherry Quirk.</p> <p>2 BY MR. O'REAR:</p> <p>3 Q. And what was, as you understood it, the 4 last minute extension proposal provided by Mr. Franklin 5 Haney?</p> <p>6 MR. LEMBKE: Well, now, I'm going to 7 instruct you to the extent that would require you 8 to disclose internal attorney/client 9 communications, you should not disclose it.</p> <p>10 If you can answer it without doing so, go 11 ahead.</p> <p>12 MR. O'REAR: Well, that's getting a 13 little far afield. I'm asking him what he's 14 referring to in this e-mail to Mr. Blust as the 15 last minute extension proposal.</p> <p>16 BY MR. O'REAR:</p> <p>17 Q. So what are you referring to and 18 intending to communicate to Mr. Blust in this e-mail?</p> <p>19 MR. LEMBKE: You can answer that.</p> <p>20 THE WITNESS: What I am intending to 21 communicate is that right now we've got a reason 22 -- a reason that we're not moving ahead on closing 23 while this proposal is considered, not 24 definitively, but just it's something that we're 25 -- we're handling in response to his e-mail.</p>	<p style="text-align: right;">Page 73</p> <p>1 time?</p> <p>2 Q. Did you consider this proposal for an 3 extension to be different from the six-month request 4 for extension made by Mr. Blust on August the 29th, 5 2018?</p> <p>6 A. I have to say I've -- I've not thought of 7 it in those terms. I would consider it really as all 8 part and parcel to the same -- achieving the same 9 objectives on -- in this part.</p> <p>10 Q. Were you in favor of granting an 11 extension of the closing as of November 28th, 2018?</p> <p>12 MR. LEMBKE: Mr. Beach, I instruct you 13 not to answer that question to the extent it would 14 require you to disclose attorney/client 15 communications or attorney work product.</p> <p>16 If you can answer it without disclosing 17 that, go ahead.</p> <p>18 MR. O'REAR: I'm asking if he was in 19 favor off it.</p> <p>20 MR. LEMBKE: And the instruction stays 21 the same.</p> <p>22 THE WITNESS: I'll have to say as a 23 transactional attorney I -- I'd truly just wait 24 for management to make a decision. I'm aware of 25 pros and cons, but I don't have a -- it's not</p>

<p style="text-align: right;">Page 74</p> <p>1 really my place to say whether I'm in favor of it.</p> <p>2 MR. O'REAR: Okay. Our tape is running</p> <p>3 out. So we need to go off the record right now.</p> <p>4 THE VIDEOGRAPHER: Okay. We're going off</p> <p>5 the record at 11:06. This is the end of DVD</p> <p>6 number one.</p> <p>7 (Recess taken.)</p> <p>8 THE VIDEOGRAPHER: We're back on the</p> <p>9 record. This is the start of DVD number two. The</p> <p>10 time is 11:19.</p> <p>11 BY MR. O'REAR:</p> <p>12 Q. Mr. Beach, we were discussing Exhibit 23.</p> <p>13 Do you have it before you there?</p> <p>14 A. I do.</p> <p>15 Q. In the first sentence of your message to</p> <p>16 Mr. Blust with respect to Mr. Haney's proposal, you</p> <p>17 say, "We are now considering."</p> <p>18 Who -- who are the "we" that were</p> <p>19 considering this request?</p> <p>20 A. The only "we" that I'm -- was aware of in</p> <p>21 my conversations were the legal team. That's who I'm</p> <p>22 referencing. It may have been considered elsewhere in</p> <p>23 TVA, too, but the legal team.</p> <p>24 Q. And who specifically on the legal team?</p> <p>25 A. Sherry Quirk, Jared Mitchum.</p>	<p style="text-align: right;">Page 76</p> <p>1 that -- sorry, just give me a chance to read here.</p> <p>2 MR. LEMBKE: Take whatever time you need,</p> <p>3 Mr. Beach.</p> <p>4 THE WITNESS: I think -- I mean, if I</p> <p>5 said today that was the day we received it.</p> <p>6 BY MR. O'REAR:</p> <p>7 Q. So it does say, "We did receive an</p> <p>8 unequivocal opinion from Pillsbury today."</p> <p>9 A. Yes.</p> <p>10 Q. So that would be the day you actually</p> <p>11 received it?</p> <p>12 A. Yes.</p> <p>13 Q. And what you were saying was true.</p> <p>14 A. Yeah, that's -- once again, my -- I mean,</p> <p>15 my memory of the exact dates is maybe --</p> <p>16 Q. Well, it's important, and --</p> <p>17 A. But this is, yeah, I would not have said</p> <p>18 that unless it was -- I received it that day, and I do</p> <p>19 remember that.</p> <p>20 Q. Did you know the letter is undated?</p> <p>21 A. I do know that.</p> <p>22 Q. Do you know why it's undated?</p> <p>23 A. I have no idea.</p> <p>24 Q. And that's why your e-mail would be</p> <p>25 important to pinpoint the day it was received since</p>
<p style="text-align: right;">Page 75</p> <p>1 Q. You, yourself?</p> <p>2 A. Oh, yes.</p> <p>3 Q. And again, Jared Mitchum reported to</p> <p>4 Sherry Quirk, correct, at this time?</p> <p>5 A. At this time Jared Mitchum reported to</p> <p>6 Sherry Quirk and I reported to Jared Mitchum.</p> <p>7 Q. This was under your new role as Senior</p> <p>8 Counsel, correct?</p> <p>9 A. Correct.</p> <p>10 Q. And what decision did TVA make with</p> <p>11 respect to the Franklin Haney proposal that was made</p> <p>12 that afternoon on November 28th, 2018?</p> <p>13 A. We did not extend the contract.</p> <p>14 Q. Extend the closing date?</p> <p>15 A. Extend the closing date.</p> <p>16 Q. So the proposal was denied, correct?</p> <p>17 A. Effectively.</p> <p>18 Q. And who at TVA made that decision to deny</p> <p>19 Mr. Haney's proposal?</p> <p>20 A. Bill Johnson.</p> <p>21 Q. You also state in this e-mail that you</p> <p>22 received that day a letter from the Pillsbury firm,</p> <p>23 correct?</p> <p>24 A. Correct. Well, let me see what I said</p> <p>25 about the actual timing. But that's my recollection</p>	<p style="text-align: right;">Page 77</p> <p>1 it's undated?</p> <p>2 A. Yes.</p> <p>3 Q. Okay. TVA sent a letter the next day</p> <p>4 signed by Sherry Quirk to Mr. Blust stating that TVA</p> <p>5 would not close the transaction on November 30, 2018.</p> <p>6 Were you aware of that?</p> <p>7 MR. LEMBKE: Object to the form.</p> <p>8 Misstates the evidence.</p> <p>9 BY MR. O'REAR:</p> <p>10 Q. Were you aware that TVA -- that Sherry</p> <p>11 Quirk sent a letter the following day, November 29th,</p> <p>12 2018, to Mr. Blust at 9 p.m. that evening, stating that</p> <p>13 TVA would not go forward with the closing?</p> <p>14 MR. LEMBKE: Same objection. You can</p> <p>15 answer.</p> <p>16 THE WITNESS: I'm aware that Sherry Quirk</p> <p>17 sent a letter to Mr. Blust the following day.</p> <p>18 BY MR. O'REAR:</p> <p>19 Q. Did you see the letter?</p> <p>20 A. Yes.</p> <p>21 Q. Were you involved in the decision of TVA</p> <p>22 not to go forward with the closing on November 30,</p> <p>23 2018?</p> <p>24 A. I was not a decisionmaker.</p> <p>25 Q. Did you make any recommendation?</p>

<p style="text-align: right;">Page 78</p> <p>1 MR. LEMBKE: That's a yes or no answer.</p> <p>2 THE WITNESS: No.</p> <p>3 BY MR. O'REAR:</p> <p>4 Q. And who made that decision on behalf of</p> <p>5 TVA?</p> <p>6 A. Bill Johnson.</p> <p>7 MR. O'REAR: I've asked each witness</p> <p>8 this. It seems like maybe it would be simpler if</p> <p>9 you just tell me whose notes these are, but if you</p> <p>10 won't tell me, I'm going to ask him about them.</p> <p>11 MR. LEMBKE: Well, you've never asked me</p> <p>12 until now. They're not his.</p> <p>13 MR. O'REAR: Okay.</p> <p>14 MR. LEMBKE: But you're going to find out</p> <p>15 they're the next witnesses.</p> <p>16 MR. O'REAR: I gotcha.</p> <p>17 (Exhibit 32 - Previously marked, Bates No.</p> <p>18 TVALBLN000009316 through 9328, Handwritten</p> <p>19 Notes.)</p> <p>20 BY MR. O'REAR:</p> <p>21 Q. All right. Just show this to you and get</p> <p>22 this on the record.</p> <p>23 You have before you Exhibit 32, which are</p> <p>24 multiple pages of handwritten notes by someone, and</p> <p>25 attached thereto, as the last two pages of the exhibit,</p>	<p style="text-align: right;">Page 80</p> <p>1 A. I do not.</p> <p>2 Q. Okay. That's all I have.</p> <p>3 A. I've heard just now it may relate to the</p> <p>4 next deposition, but I do not know.</p> <p>5 Q. That's Mr. Shea?</p> <p>6 A. I do not know. Leave it to the next one.</p> <p>7 EXAMINATION BY MR. LEMBKE:</p> <p>8 Q. Mr. Beach, as you know I'm Matt Lembke</p> <p>9 and I'm representing TVA here today. Earlier Mr.</p> <p>10 O'Rear asked you a few questions about a conversation</p> <p>11 you had with Mr. Blust about a draft of an extension</p> <p>12 agreement that had been prepared.</p> <p>13 Do you recall that line of questioning?</p> <p>14 A. I do.</p> <p>15 Q. All right. During that conversation,</p> <p>16 what, if any, statement did you make about whether TVA</p> <p>17 had decided to grant the extension?</p> <p>18 A. I would have said that TVA is still</p> <p>19 considering whether to grant the extension.</p> <p>20 Q. What, if any, commitment did you make</p> <p>21 that TVA was going to ultimately decide to grant the</p> <p>22 extension?</p> <p>23 A. I would not have committed. I don't have</p> <p>24 that authority.</p> <p>25 Q. Now, there was also discussion about a</p>
<p style="text-align: right;">Page 79</p> <p>1 are some typewritten notes with handwritten notes on</p> <p>2 them. If you would just look through that.</p> <p>3 Directing your attention to the</p> <p>4 handwritten notes which all appear to be in the same</p> <p>5 handwriting before the last two pages, I would ask you</p> <p>6 if those are your handwritten notes?</p> <p>7 A. They are not.</p> <p>8 Q. Do you know whose notes they are?</p> <p>9 A. I do not know.</p> <p>10 Q. Have you ever seen these notes before?</p> <p>11 A. I did not see these notes in 2018, at any</p> <p>12 time during that timeframe.</p> <p>13 Q. Okay. But you've seen them since?</p> <p>14 MR. LEMBKE: Other than in preparation</p> <p>15 for the deposition.</p> <p>16 THE WITNESS: Correct.</p> <p>17 BY MR. O'REAR:</p> <p>18 Q. All right. And directing your attention</p> <p>19 to the typewritten notes on the last two pages, do you</p> <p>20 know whose notes those are?</p> <p>21 A. I do not.</p> <p>22 Q. You do not. Okay.</p> <p>23 Do you know whose handwritten notes those</p> <p>24 are that appear to be different from the handwriting on</p> <p>25 the rest of the exhibit?</p>	<p style="text-align: right;">Page 81</p> <p>1 conversation or there were questions from Mr. O'Rear</p> <p>2 about asking if you recalled Miss Quirk making a</p> <p>3 statement to Larry Blust during a phone call in</p> <p>4 October 2018, that she had met with three directors the</p> <p>5 day before about the extension request.</p> <p>6 Do you recall that line of questioning?</p> <p>7 A. I do.</p> <p>8 Q. Do you recall Miss Quirk ever telling you</p> <p>9 about any discussions with directors about the</p> <p>10 discovery request?</p> <p>11 A. I do not.</p> <p>12 MR. O'REAR: About the what?</p> <p>13 MR. LEMBKE: About the extension request.</p> <p>14 MR. O'REAR: You said discovery request.</p> <p>15 MR. LEMBKE: I apologize.</p> <p>16 BY MR. LEMBKE:</p> <p>17 Q. Do you recall Miss Quirk ever telling you</p> <p>18 about a conversation she had with -- well, let me</p> <p>19 strike that.</p> <p>20 Do you recall Miss Quirk ever telling</p> <p>21 Larry Blust about a meeting she had had with three</p> <p>22 directors or any directors about the extension request</p> <p>23 from Nuclear Development?</p> <p>24 A. I do not recall that.</p> <p>25 Q. If that conversation had been made, would</p>

<p style="text-align: right;">Page 82</p> <p>1 that have -- if that comment had been made by her to</p> <p>2 Mr. Blust, would it have stood out in your mind?</p> <p>3 A. Yes.</p> <p>4 Q. Why?</p> <p>5 A. Sherry is the General Counsel for the</p> <p>6 board and she's -- it's not typical for her to be</p> <p>7 communicating how the board feels on matters.</p> <p>8 Q. Whether in that -- whether in the</p> <p>9 conversation Mr. O'Rear referenced or otherwise, do you</p> <p>10 ever recall Sherry Quirk telling Mr. Blust about</p> <p>11 communications that she or Bill Johnson had with</p> <p>12 members of the board?</p> <p>13 A. I do not.</p> <p>14 Q. Let me find the document that you looked</p> <p>15 at. Let me show you what has been previously shown to</p> <p>16 you as Exhibit 17.</p> <p>17 Do you recall being asked some questions</p> <p>18 about that document by Mr. O'Rear?</p> <p>19 A. I do.</p> <p>20 Q. All right. In those questions I believe</p> <p>21 you indicated that -- well, first of all, in the first</p> <p>22 page of Exhibit 17 it refers to a recent discussion.</p> <p>23 Do you see that?</p> <p>24 A. I do.</p> <p>25 Q. And I believe you testified that the</p>	<p style="text-align: right;">Page 84</p> <p>1 A. I believe it was certainly within the</p> <p>2 month of October. Perhaps earlier, but I don't recall</p> <p>3 how early, but October I feel comfortable with.</p> <p>4 MR. LEMBKE: I have no further questions.</p> <p>5 Thank you, Mr. Beach.</p> <p>6 MR. O'REAR: I have just a follow-up to</p> <p>7 that.</p> <p>8 EXAMINATION BY MR. O'REAR:</p> <p>9 Q. So who was involved in these earlier</p> <p>10 discussions you've just alluded to besides Mr. Blust?</p> <p>11 A. Chris Chandler and I recall Sherry Quirk.</p> <p>12 Q. You said these occurred within the month</p> <p>13 of October and perhaps earlier?</p> <p>14 A. That's my recollection.</p> <p>15 Q. And what's that based on?</p> <p>16 A. My memory.</p> <p>17 Q. I mean, you earlier have expressed a</p> <p>18 difficulty in coming up with specific dates. I'm just</p> <p>19 wondering if you tie those conversations to any</p> <p>20 particular event?</p> <p>21 MR. LEMBKE: Object to the form.</p> <p>22 Argumentative. You can answer.</p> <p>23 THE WITNESS: The construction permit</p> <p>24 issue, my recollection is it's a complicated issue</p> <p>25 and our understanding of it was iterative over a</p>
<p style="text-align: right;">Page 83</p> <p>1 recent discussion would have occurred within the last</p> <p>2 few days preceding November 9th, is that correct?</p> <p>3 A. Correct.</p> <p>4 Q. All right. Do you recall if that</p> <p>5 discussion that's referenced in Exhibit 17 was the</p> <p>6 first discussion that you had had with Mr. Blust about</p> <p>7 the issue concerning, as you put it, the title of the</p> <p>8 construction permits?</p> <p>9 MR. O'REAR: Objection. Asked and</p> <p>10 answered.</p> <p>11 THE WITNESS: There were earlier</p> <p>12 discussions on the issue of the construction</p> <p>13 permits.</p> <p>14 Over time we became more educated and by</p> <p>15 the time the discussion happened that's referenced</p> <p>16 in this e-mail, we had gotten enough -- educated</p> <p>17 enough to where we could put some concepts in</p> <p>18 writing, which we did, but there were earlier</p> <p>19 discussions on the topic.</p> <p>20 BY MR. LEMBKE:</p> <p>21 Q. And did those discussions include Mr.</p> <p>22 Blust?</p> <p>23 A. I -- yes, at least one, if not more.</p> <p>24 Q. And do you recall when that one or more</p> <p>25 earlier discussions occurred?</p>	<p style="text-align: right;">Page 85</p> <p>1 period of time, October certainly, in which we</p> <p>2 discussed it with Mr. Blust.</p> <p>3 It took some time though to, as with any</p> <p>4 legal topic, to get to where we could reduce it to</p> <p>5 bullets, but we certainly discussed it before this</p> <p>6 period of time.</p> <p>7 BY MR. O'REAR:</p> <p>8 Q. But you can't pinpoint when?</p> <p>9 A. No. I do recall that our conversation,</p> <p>10 the conversation referenced in this e-mail was a</p> <p>11 follow-up to earlier discussions.</p> <p>12 Q. Were these discussions over the</p> <p>13 telephone?</p> <p>14 A. Yes.</p> <p>15 Q. Were any notes made of these calls?</p> <p>16 A. I don't recall.</p> <p>17 Q. Was Tim Matthews involved in any of these</p> <p>18 discussions?</p> <p>19 A. Tim Matthews was not on the call with us,</p> <p>20 no.</p> <p>21 MR. O'REAR: That's all.</p> <p>22 MR. LEMBKE: No further questions. Thank</p> <p>23 you.</p> <p>24 THE VIDEOGRAPHER: Okay. This is the end</p> <p>25 of the deposition.</p>

<p style="text-align: right;">Page 86</p> <p>1 We're going off the record at 11:36.</p> <p>2 MR. O'REAR: I do want to put on the</p> <p>3 stenographer's record that to the extent that any</p> <p>4 objections asserting privilege are deemed to be</p> <p>5 not well taken by the court, we reserve the right</p> <p>6 to recall the witness.</p> <p>7 FURTHER THIS DEPONENT SAITH NOT.</p> <p>8 (The deposition concluded at 11:36 a.m.)</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 88</p> <p>1 To: Matthew H. Lembke, Esq.</p> <p>2 Re: Signature of Deponent Clifford Beach</p> <p>3 Date Errata due back at our offices: 12/6/2019</p> <p>4</p> <p>5 Greetings:</p> <p>6 This deposition has been requested for read and sign by</p> <p>7 the deponent. It is the deponent's responsibility to</p> <p>8 review the transcript, noting any changes or corrections</p> <p>9 on the attached PDF Errata. The deponent may fill</p> <p>10 out the Errata electronically or print and fill out</p> <p>11 manually.</p> <p>12 Once the Errata is signed by the deponent and notarized,</p> <p>13 please mail it to the offices of Veritext (below).</p> <p>14</p> <p>15 When the signed Errata is returned to us, we will seal</p> <p>16 and forward to the taking attorney to file with the</p> <p>17 original transcript. We will also send copies of the</p> <p>18 Errata to all ordering parties.</p> <p>19</p> <p>20 If the signed Errata is not returned within the time</p> <p>21 above, the original transcript may be filed with the</p> <p>22 court without the signature of the deponent.</p> <p>23</p> <p>24 Please Email the completed errata/witness cert page</p> <p>25 to readandsign@veritext.com</p> <p>or mail to</p> <p>Veritext Production Facility</p> <p>2031 Shady Crest Drive</p> <p>Hoover, AL 35216</p> <p>205-397-2397</p>
<p style="text-align: right;">Page 87</p> <p>1 C E R T I F I C A T E</p> <p>2 STATE OF TENNESSEE</p> <p>3 COUNTY OF KNOX</p> <p>4 I, Georgette H. Mitchell, Registered</p> <p>5 Professional Reporter, Licensed Court Reporter #55 and</p> <p>6 Notary Public, do hereby certify that I reported in</p> <p>7 machine shorthand the videotaped deposition of CLIFFORD</p> <p>8 BEACH, called as a witness at the instance of the</p> <p>9 Plaintiff, that the said witness was duly sworn by me;</p> <p>10 that the reading and subscribing of the deposition by</p> <p>11 the witness was not waived; that the foregoing pages</p> <p>12 were transcribed under my personal supervision and</p> <p>13 constitute a true and accurate record of the deposition</p> <p>14 of said witness.</p> <p>15 I further certify that I am not an attorney or</p> <p>16 counsel of any of the parties, nor an employee or</p> <p>17 relative of any attorney or counsel connected with the</p> <p>18 action, nor financially interested in the action.</p> <p>19 Witness my hand and seal this the 6th day of</p> <p>20 November, 2019.</p> <p>21</p> <p>22 </p> <p>23 Georgette H. Mitchell</p> <p>24 Registered Professional</p> <p>25 Reporter, Licensed Court</p> <p>Reporter 55, LCR expires</p> <p>6-30-20 and Notary Public</p> <p>My Commission Expires:</p> <p>February 2, 2020</p>	<p style="text-align: right;">Page 89</p> <p>1 ERRATA for ASSIGNMENT #3531764</p> <p>2 I, the undersigned, do hereby certify that I have read the</p> <p>3 transcript of my testimony, and that</p> <p>4</p> <p>5 ___ There are no changes noted.</p> <p>6 ___ The following changes are noted:</p> <p>7 Pursuant to Civil Procedure, Rule 30. ALA. CODE § 5-30(e)</p> <p>8 (2017). Rule 30(e) states any changes in form or</p> <p>9 substance which you desire to make to your testimony shall</p> <p>10 be entered upon the deposition with a statement of the</p> <p>11 reasons given for making them. To assist you in making any</p> <p>12 such corrections, please use the form below. If additional</p> <p>13 pages are necessary, please furnish same and attach.</p> <p>14</p> <p>15 Page ____ Line ____ Change _____</p> <p>16</p> <p>17 Reason for change _____</p> <p>18 Page ____ Line ____ Change _____</p> <p>19</p> <p>20 Reason for change _____</p> <p>21 Page ____ Line ____ Change _____</p> <p>22</p> <p>23 Reason for change _____</p> <p>24 Page ____ Line ____ Change _____</p> <p>25</p>

<div style="text-align: right; margin-bottom: 10px;">Page 90</div> <div style="margin-bottom: 5px;">1 Page ____ Line ____ Change _____</div> <div style="margin-bottom: 5px;">2 _____</div> <div style="margin-bottom: 5px;">3 Reason for change _____</div> <div style="margin-bottom: 5px;">4 Page ____ Line ____ Change _____</div> <div style="margin-bottom: 5px;">5 _____</div> <div style="margin-bottom: 5px;">6 Reason for change _____</div> <div style="margin-bottom: 5px;">7 Page ____ Line ____ Change _____</div> <div style="margin-bottom: 5px;">8 _____</div> <div style="margin-bottom: 5px;">9 Reason for change _____</div> <div style="margin-bottom: 5px;">10 Page ____ Line ____ Change _____</div> <div style="margin-bottom: 5px;">11 _____</div> <div style="margin-bottom: 5px;">12 Reason for change _____</div> <div style="margin-bottom: 5px;">13 Page ____ Line ____ Change _____</div> <div style="margin-bottom: 5px;">14 _____</div> <div style="margin-bottom: 5px;">15 Reason for change _____</div> <div style="margin-bottom: 5px;">16 _____</div> <div style="margin-bottom: 5px;">17 _____</div> <div style="margin-bottom: 5px;">18 _____</div> <div style="margin-bottom: 5px; text-align: center;">DEPONENT'S SIGNATURE</div> <div style="margin-bottom: 5px;">19 _____</div> <div style="margin-bottom: 5px;">20 Sworn to and subscribed before me this ____ day of _____.</div> <div style="margin-bottom: 5px;">21 _____.</div> <div style="margin-bottom: 5px;">22 _____</div> <div style="margin-bottom: 5px;">23 NOTARY PUBLIC / My Commission Expires: _____</div> <div style="margin-bottom: 5px;">24 _____</div> <div style="margin-bottom: 5px;">25 _____</div>	